صكذا من الأصل

Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper | R | Paris, Monday, December 22, 1997 | No. 35,710

TODAY: SPORTS

A New Crisis in Asia: Now It's Confidence

Pessimistic Forecasts Curtailing Investment

By Michael Richardson
International Herald Tribune

SINGAPORE — Just when Southeast Asia's crumbling stock markets and slowing economies need new investment and bank loans to keep indebted companies from going bust, currency turmoil and increasingly pessimistic economic forecasts for 1998 are further undermining confidence in the region, analysts said Sunday.

In its interim World Economic Outlook made public in Washington on Saturday, the International Monetary Fund cut its combined growth projections for Thailand, Indonesia, Malaysia and the Philippines by 3.7 percentage points to 1.7 percent for 1998, after adjustment for inflation.

Many economists have been warning that Thailand will slide into recession next year, after barely managing to grow in 1997. But in its latest research report, UBS Securities, a member of the Union Bank of Switzerland Group, said that a recession in Indonesia — the world's fourth most populous nation and the largest economy in Southeast Asia — also appeared unavoidable.

UBS said that it had revised its real gross domestic product forecast for Indonesia in 1998 from a modest growth rate of 1.5 percent to a contraction of 2 percent and from 4 percent growth in 1999 to a mere 1.1 percent.

The Indonesian rupiah was trading at about 5,100 to the dollar at the end of the week, up from a low of 5,980 on Tuesday. But it was still down some 52 percent since the beginning of July, when rapidly depleting foreign exchange reserves forced Thailand to let the baht fall, triggering major depreciations elsewhere in the region.

The rupiah's plunge will increase Indonesia's inflation and the cost of repaying foreign debt, push companies with large overseas loans into bankruptcy and reduce government revenue and consumer spending.

"While rising inflation, a shaky fi-

See ASIA, Page 7

For Asians, A Primer On IMF Bailouts

By Tom Buerkle
International Herald Tribune

LONDON — The sense of financial crisis in the country is pervasive. The currency is sliding with seemingly no bottom in sight. Investors worried about the country's mounting debts are refusing to buy government bonds. And the government itself is bitterly divided on whether to bow to the demands of the International Monetary Fund or try to go it alone by imposing protectionist controls on trade and capital movements.

South Korea in 1997? No, Britain in 1976, the last time a major industrialized country turned to the IMF for a bailout.

Although two decades old, the financial collapse of Britain, and its economic revival, hold lessons and warnings about today's Asian crisis for Asia's politicians.

Britain's economic problems in the 1970s stemmed largely from attempts by successive Conservative and Labour governments to stimulate growth and employment with government deficit spending, particularly after the 1973-74 oil crisis. Instead of prosperity, Britain got double-digit inflation and economic stagnation.

The underlying problem in South Korea is much different, involving profligate corporate spending, a shortage of liquidity and a fragile banking system rather than profligate state spending. Korea's need for IMF aid is also far greater than Britain's a generation ago.

But the necessity of resorting to outside help was a "devastating national humiliation" that forced profound changes in the British economy and politics, said Lord Howe, who served as chancellor of the Exchequer under Margaret Thatcher.

That experience is most likely to hold true for South Korea today, analysts say. Indeed, the election Thursday of Kim Dae Jung, an opposition leader and democracy campaigner, as Korea's next president may be an early indication of the winds of change blowing through Asia.

"Nineteen seventy-six was the turning point," said Andrew Britton, a British economist who has written extensively about the period. "It paved the way for Thatcherism."

Britain's crisis began in early 1976 with a steady loss of confidence in the pound amid expectations that the budget deficit, current account deficit and inflation were set to worsen, and that the government would encourage a depreciation to boost the economy. The pound slipped below $2.00 in March and continued sliding toward $1.65 by October, a drop of roughly 25 percent in one year's

See POUND, Page 7



Hidajet Dria, The Associated Press

HOLIDAY VISIT — Workers putting up the stars and stripes beside Bosnian flags in Sarajevo on Sunday before Bill Clinton's arrival Monday to visit the troops. The two-year mission has a mixed record. Page 5.

The Ritual Death of a Film Satirist

Juzo Itami Left Note Denying an Article Suggesting a Liaison

By Kevin Sullivan
Washington Post Service

TOKYO — Juzo Itami, the acclaimed Japanese filmmaker, has killed himself in an act with overtones of the ritualized suicides of the samurai warrior class.

Mr. Itami, 64, director of "Tampopo" and nine other films, took his own life over a magazine's decision to publish a story suggesting that he was having an affair with a 26-year-old woman. The story in the weekly Flash is to be published Monday.

The director left two suicide notes in his office before leaping to his death from the building's eighth floor roof Saturday evening. In one, to the president of his production company, he included a "message to the mass media" that stated, "I will prove my innocence by death. There is no other way to prove that nothing happened."

Mr. Itami was married to the actress Nobuko Miyamoto, who starred in most of his films and is equally well-known. His other note was addressed to her, but its contents have not been disclosed. In his letter to the president of Itami Productions, Yasushi Tamaoki, he urged him to "take care of" Miss Miyamoto, whom he called "Japan's number one wife, mother and actress."

In criticism of the tabloid media reminiscent of that surrounding the death of Diana, Princess of Wales, Mr. Tamaoki blasted Flash at a press conference Sunday, saying that Mr. Itami would still be alive if the magazine had not pursued the story.

The magazine's editor, Kenji Kaneto,

See ITAMI, Page 7



Tsuguhiro Matsumoto/The Associated Press

Juzo Itami as he spoke at a rally against mob crime in September.

Mandela's Message: White Privilege Must Give Way

By Lynne Duke
Washington Post Service

NEWS ANALYSIS

JOHANNESBURG — Since South Africa's first all-races election and the end of white-minority rule in 1994, President Nelson Mandela has been the embodiment of racial reconciliation.

He sat for tea with the widow of a dreaded leader of the defunct apartheid regime. He has amicable relations with a rightist general who mounted a rebellion before the 1994 vote. He holds regular meetings on economic policy with white corporate barons. All this in an effort to reassure whites and keep their economic and military power from turning against the fragile new democracy.

But last week Mr. Mandela stunned his white countrymen when he told them flatly that they had not done enough in return. In a stinging speech on the occasion of his retirement as leader of the governing African National Congress, he accused whites of treating reconciliation cavalierly and protecting their socioeconomic privilege by resisting efforts to uplift the nation's black majority.

He singled out white opposition parties and the white media for opposing reforms, suggesting that their reluctance to buy into a "new patriotism" being pushed by the ANC was tantamount to being an enemy of the state.

Mr. Mandela's language signaled a shift from the symbolism of reconciliation to a more contentious phase of South Africa's political transition, in which a hard-edged discourse on real transformation for the black majority will take center stage and challenge the social and political fabric of what has been called a "rainbow nation." The president acknowledged that the political going could get rough when he said the process of change was still young and had not yet tested "the strength of the counteroffensive which would seek to maintain the privileges of the white minority."

Mr. Mandela's speech ushered in not only a new era of debate here, but also a new era of leadership. Thabo Mbeki, his successor as ANC leader, as well as the country's deputy president and heir apparent to lead the nation when Mr. Mandela steps down in 1999, has touched on these themes many times before, causing suspicion among whites that he would take a harder line toward them than Mr. Mandela.

The president has given Mr. Mbeki cover from this charge by ensuring, with his speech, that the new ANC chief can be seen as simply grasping the ideological baton being passed on to him, analysts say. "To some extent, the popular perception was of Nelson Mandela the reconciler and Thabo Mbeki the transformer," said Robert Schrirer, a political scientist at the University of Cape Town. "I think that one should really view the speech as the opening shot of the Thabo Mbeki presidency."

Mr. Mbeki said Mr. Mandela's speech was meant as an assessment of three years of ANC in government, not a plan of action. The only prescription in the president's report, he said, is that the ANC has not done enough to win whites over. Mr. Mbeki said it was a matter of education, on which he would hold per-

See MANDELA, Page 9

AGENDA

3d Hong Konger Dies of Avian Flu

As a deadly avian flu killed its third victim Sunday in Hong Kong, international health experts worked to contain the outbreak. The World Health Organization's top flu expert joined the investigation as to whether the virus, seen only in birds until May, can be transmitted among humans. But he said no vaccine could be available before mid-1998. Page 2.

PAGE TWO
Zimbabwe: Farming Out Trouble

THE AMERICAS — Page 3.
New Technique for Earlier Abortion

Books ..... Page 9.
Crossword ..... Page 9.
Opinion ..... Page 8.
Sports ..... Pages 16-18.

The Intermarket — Page 6.

The IHT on-line www.iht.com

Coup Plotters Held, Nigeria Army Says

ABUJA, Nigeria (Reuters) — The army said Sunday that a coup plot had been foiled and a number of senior officers arrested, including General Oladipo Diya, No. 2 after the military ruler, General Sani Abacha.

Nigerian television said two former ministers, Major General Abdulkarim Adisa and Major General Tajudeen Olanrewaju, had also been detained.

U.S. Raises Pressure on Iraq to Open Sites to UN

Officials Say Sanctions Will Stay Put Despite Security Council Split

By Brian Knowlton
International Herald Tribune

WASHINGTON — U.S. officials made a show of determination Sunday in their confrontation with Iraq, saying that President Saddam Hussein would not be able to exploit divisions within the United Nations Security Council to gain relief from UN sanctions.

Defense Secretary William Cohen called Iraq's refusal to give UN inspectors access to presidential palaces and other sensitive sites "intolerable."

If Iraqi officials block further inspections, said Bill Richardson, U.S. ambassador to the United Nations, "tensions are going to rise dramatically."

Mr. Richardson, appearing on NBC-TV, emphasized the American preference for a diplomatic solution to the standoff. He added, however, that until unfettered access is granted to all presidential sites, "Saddam has no chance of getting sanctions lifted."

Mr. Cohen, on CBS-TV, echoed the point. Short of full Iraqi compliance, he said, "There is no relief in sight."

Mr. Cohen reiterated President Bill Clinton's assertion that all options, including military strikes, remained open. "He's ruled nothing in, ruled nothing out," the defense secretary said. Iraq has banned UN inspectors from checking presidential palaces and other sites for weapons of mass destruction.

The Security Council has insisted that all sites be opened.

But a split within the council on the issue has grown steadily more apparent. The United States and Britain have refused to rule out military strikes such as those that U.S. forces have repeatedly launched in the face of Iraqi defiance.

Foreign Minister Yevgeni Primakov of Russia, however, insisted last week that an "overwhelming majority" of the world opposed the use of force, and France and China, the other permanent members of the council, have expressed similar views.

Mr. Cohen and Samuel Berger, the president's national security adviser, acknowledged that Security Council members differed in their economic interests in the region, and on tactics in the current crisis. "But on the issue of full compliance," said Mr. Cohen, "there is no division."

Mr. Richardson said it was of "critical" importance that the Security Council this week reaffirm its support for efforts to secure Iraqi compliance.

"Hopefully," Mr. Cohen said, "the Security Council will send a resounding signal that it is unacceptable and there is no division among Security Council members."

The council is thought likely to warn Iraq to allow UN inspectors full access, without stipulating any penalty for its refusal to do so.

The chief UN arms inspector, Richard Butler, reported Thursday to the Security Council that his teams had found evidence that Iraq was hiding materials relating to production of weapons of mass destruction at sites it had placed off-limits.

He also said Iraq had announced new rules that would block UN inspection of any site where Mr. Saddam "resides and/or works."

Mr. Berger noted that an American-led team of UN inspectors had been allowed into a "very sensitive site" Sunday morning. But he did not elaborate.

Miners Claim a Bonanza A Mile Deep in the Pacific

By William J. Broad
New York Times Service

NEW YORK — For the first time, miners have laid claim to rich deposits of gold, silver and copper in the deep sea, foreshadowing a possible rush to open the oceans for metals and a possible fight with conservationists over exploitation of the sea's dark recesses.

The sea is considered a last frontier for the competing forces of industrial development and nature preservation.

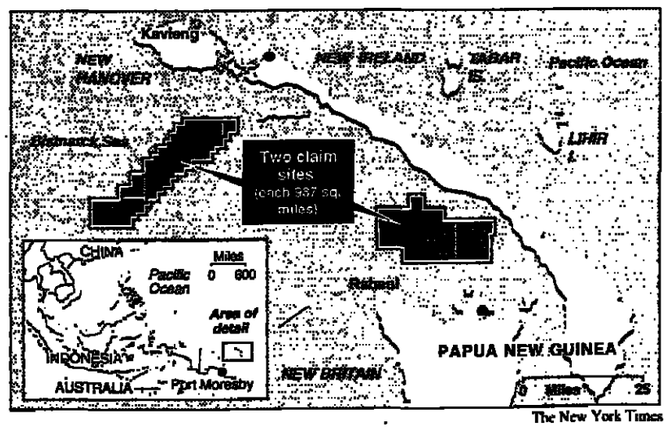
The mining claim was made by Australians in the territorial waters of Papua New Guinea and covers an area of nearly 2,000 square miles.

About a mile down, the sites boil with volcanic hot springs whose rocky outcroppings are laced with iron, zinc, copper, silver and gold in high concentrations.

The miners say early assays show the claim holds the richest volcanic deposits ever found at sea and estimate their likely value at billions of dollars — enough, they say, to justify the considerable cost of extracting them.

Sample ores contain up to 26 percent zinc, 15 percent copper, seven ounces (198 grams) of silver to the ton and about one ounce of gold — all unusually high grades by terrestrial standards.

"If you found this deposit on dry land, you'd call these bonanza figures," said Ray Binns, a scientist at the Australian Commonwealth Scientific Industrial Research Organization who helped discover the zone.



The New York Times

The richness of the deposits, experts say, means that less processing on land will be needed to separate out the different metals and turn them into ingots.

The hot deposits are different from the icy manganese nodules that litter the global seabed and first prompted dreams of mining the deep. In the 1970s, rich and poor countries clashed over visions of the potential wealth represented by the nodules and eventually agreed to a division spelled out in the Law of the Sea Treaty.

But the nodules, rich in manganese, cobalt and nickel, were never mined. Land supplies of these metals turned out to be more plentiful and accessible.

The new volcanic glitter was discovered around the globe in the 1980s after the nodules came to light.

It is much richer in precious metals and tends to lie closer to the sea's surface, easing the recovery job. In the last decade, hundreds of scientific expeditions have mapped such deposits. But no one has yet mined the rocky outcroppings, which can grow many stories high.

See MINE, Page 7

Officially, the Euro Is On

But Outside Ruling Circles, Challenges Arise

By John Vinocur
International Herald Tribune

PARIS — With barely a year to go before the European Monetary Union comes into being, virtually all sharp dissent about the euro from the candidate countries' mainstream political parties has evaporated. Left to right, the single currency these days largely means its single Lisbon-to-Frankfurt embrace.

Gerhard Schroeder, the possible Social Democratic candidate for chancellor in Germany, has just about totally dismounted from the EMU-skeptical horse he rode throughout the first nine months of 1997, while Prime Minister Lionel Jospin of France, weeks after taking office, disposed of his view that the EMU stability pact was a senseless French surrender to German economic rigidity.

Once the doubting voice of the French right on the euro, Philippe Seguin, the chief of the Gaullist party, is now silent. Even the Bundesbank, whose officers repeatedly intimated that they saw nothing disastrous in delaying the EMU's start beyond Jan. 1, 1999, appears to have abandoned its hints and nudges. Within the political and economic establishments of Spain, Portugal and Italy, everyone wants to be on board.

The result is that an actively critical view of the EMU has been left to the periphery. With European markets appearing fully confident in the orderly introduction of the common currency, perhaps the most authoritative economic criticism of the undertaking in recent months has come from such American economists as Milton Friedman and Martin Feldstein, who see the euro's success as far from guaranteed.

COUNTDOWN TO THE EURO
1 9 9 7

But the stilled debate in Europe is not total silence. There will be at least one serious legal attempt in Germany in January to block the start of the EMU and a political effort in France the same month to recuperate the part of public opinion finding no echo for its fears that the euro basically means more competition and more unemployment. In both cases, the initiatives come from outside forces looking in: four academics in Germany bringing a challenge

See EMU, Page 7

Newsstand Prices

Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1,600 CFA	Qatar	10.00 QR
Egypt	£E 5.50	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10 SR
Gabon	1,100 CFA	Senegal	1,100 CFA
Italy	2,800 Lire	Spain	225 Ptas
Ivory Coast	1,250 CFA	Tunisia	1,250 Din
Jordan	1,250 JD	U.A.E.	10.00 Dh
Kuwait	700 Fils	U.S. Mil. (Eur.)	$1.20

Mugabe Seeks to Bolster Popularity / **Can It Hurt to Keep a Promise?**

Farm Seizures Sow Uncertainty in Zimbabwe

By Donald G. McNeil Jr.
New York Times Service

URMA VALLEY, Zimbabwe — Hermanus Vorster, whose ancestors trekked over the Vumba Mountains into this valley in 1918, fumbled through the boxes in his small office and produced the deed by which his great-grandfather bought Gwindingwi Farm in 1920. It is stamped with the ornate crest of the British South Africa Co. and has a hand-drawn sketch of the hills on it, inked in faint browns and greens.

His family lost the land once, but he bought most of it back in 1985. The patch where his great-grandfather, grandfather and father are buried is now on a neighbor's land. He would like that back as well, but he has a greater worry. He may soon lose it all. Not his 12 trucks and 30 tractors, his miles of irrigation pipe, his new reservoir or his crops of bananas, tobacco and pineapples— but the land itself, which makes all the rest possible. And he will not be paid for it.

After 17 years in office, and now in serious political trouble, President Robert Mugabe is trying to make good on his promise to give his people land. He will seize it without compensation, he says, since whites stole it on their arrival 107 years ago and still hold 70 percent of the best land nearly two decades after white rule ended.

"It's like the doctor telling you you've got cancer," Mr. Vorster said, plumping down discouraged on the edge of a desk, the beads of dew on his beer mirroring those on his forehead in the evening heat. "You don't know what your future is."

If the government takes Mr. Vorster's farm, it will lose the $100,000 he pays in taxes each year. His farm has 300 live-in employees, hundreds more dependents, and his bananas alone, he estimates, support 500 street hawkers. Asked what would become of them, he shrugged and said, "The government says that's their problem, not mine."

For years, Mr. Mugabe has been pilloried in editorial cartoons that show him aging from a revolutionary waving an AK-47 to a president waving a cane, each time ritually shouting, "I will give you land!" The country has grown cynical. In the past, when white farmers' leases on government land were terminated, the poor rarely benefited. The best farms went to cabinet ministers or became weekend retreats for the party elite.

In a recent survey by the Ministry of Social Welfare, only 2 percent of the 18,000 people polled said poverty would be solved by distributing land. But Mr. Mugabe has big political problems. There are deep rifts in his party over corruption accusations, and some in the party have also complained about delays in land reform. At the last Heroes Day — which commemorates the struggle that led to a black majority government in 1980 — the unheard-of happened: The president was shouted down by his core constituency, former guerrillas he led, and was forced to promise them large pensions.

SINCE the looted state treasury lacked the $280 million required, he raised the sales tax to 17.5 percent and the income tax to 44 percent and doubled taxes on electricity. That infuriated another constituency, civil servants. On Dec. 10, after a nationwide strike and riots in the capital, the government scrapped the tax increases, leaving it unclear where the money for pensions will come from.

The World Bank and International Monetary Fund have suspended aid because government spending is out of control, and Mr. Mugabe, who has taken 21 trips abroad this year, is accused of ignoring his own people. So he has revived a theme he has raised before in troubled times — attacking white farmers as selfish, and threatening to give their land to the poor. But this time he seems to mean it. On Nov. 28, the government identified 1,503 farms it will seize. The owners were given 30 days to file objections.



Fiona McDougall/The New York Times

David Hasluck, executive director of the Commercial Farmers Union, says white farmers who stayed through the independence struggle feel betrayed by the government. His 3,200-acre farm is on the list of 1,503 that are to be seized.

THE Commercial Farmers Union, most of whose 4,500 members are white, says the 13.6 million acres on those farms amount to nearly half the country's commercial farmland. Whites, who are less than 2 percent of the population of 11 million, acknowledge that the distribution of land is unfair, but note that some farms are always up for sale and say they are willing to help black farmers under a plan they call Team Zimbabwe.

Commercial farms account for 20 percent of gross domestic product and employ a quarter of the work force, and many fear economic collapse if they are broken up. The government has acknowledged that land given to new owners may be out of production for two years. It has no money to move thousands of poor families or buy them tools and seed. Farmers need loans at planting time, and new owners would have a "credit rating of zero," a banker said.

Although the Agriculture Ministry had long said it would take abandoned or underused farms first, the list includes many of the best farms. One belongs to a former "Cattleman of the Year." Ten belong to the Anglo American Corp. of South Africa or the Oppenheimer family, which controls it. One belongs to Ian Smith, the country's last white president, another to the anti-apartheid novelist Doris Lessing. Eighty belong to large-scale black farmers, who have protested to the governing party's Politburo.

Also on the list is the Burma Valley farm of David Hasluck, the executive director of the farmers' union. On it, dozens of rows of deep green plants sparkling with bright orange peppers stretch to the wooded hills. "I get three times the crop of farms outside the valley, because there's no frost," Mr. Hasluck said. On his 3,200 acres he has tobacco-curing barns, herds of healthy cattle and — like all the Burma Valley farms on the list — a costly new reservoir and sprinkler system.

About 700 of the 1,503 farms are earmarked not for the poor but for "transfer to indigenous farmers." Several farmers said they believed that meant their land would go to government officials in Harare who would sell the farms or hire managers and pocket the profits. The government has dismissed such accusations as the words of a "racist cartel" bent on keeping blacks poor.

In his capacity as leader of the farmers union, Mr. Hasluck met with Mr. Mugabe recently. "I told him, if someone wants to buy my farm, that's fine," he said of the land his family has worked for 50 years. "If I thought it was going to be taken over to resettle the landless poor — and the people who work for me were taken care of — I wouldn't mind so much. But I said, 'It's not possible that you can just take my farm and give it to a black farmer.' Mr. Mugabe told me: 'This is party business. The party has decided.' "

SOME black workers on farms that are on the list are concerned. Patrick Chimbazwa, packing-shed manager on a banana farm listed for seizure, said he and 400 fellow workers feared for their jobs. "They are worried that a black farmer will not have the resources," he said.

Two months ago, Mr. Mugabe told Prime Minister Tony Blair of Britain that he expected Britain to compensate white farmers. The British refused, saying the 17-year-old issue was Zimbabwe's to fix, and land seizure would probably increase poverty. Lands and Agriculture Minister Kumbirai Kangai said recently that the program would go ahead without outside aid. "We mean business," he said. "We have reached a stage in our history where the land question has to be addressed."

Israel Picks Up the Pace Of West Bank Housing

Palestinians Say Netanyahu Preempts Talks

By James Rupert
Washington Post Service

OFRA, West Bank — Under a gray, cold drizzle, a half-dozen concrete-spattered laborers worked on the foundation of one of dozens of new homes sprouting on a stony ridge at the edge of this Jewish settlement.

Less than two kilometers away, Yona Hoffman, the head of the settlement 8 kilometers (5 miles) northeast of Ramallah, sat in an office lined with maps showing how Ofra, a village of perhaps 2,000 people, is meant to grow into a city of about 40,000. "We're completing 50 homes," Ms. Hoffman said, "and starting 24 new ones. We need to grow."

After years in which Israel froze most settlement construction in occupied Arab lands, Prime Minister Benjamin Netanyahu is encouraging a surge of Jewish home building. The government has not said how many new homes and apartments were going up. But in recent months it has approved contracts to build more than 16,000 units just in settlements near Jerusalem, according to official figures gathered by the Israeli monitoring group Peace Now.

Mr. Netanyahu says he is allowing settlements to accommodate their populations' "natural growth." But independent surveys suggest that settlement construction is outpacing population growth and that significant numbers of homes are vacant.

The Clinton administration has asked Mr. Netanyahu for a "time-out" on construction, saying settlements complicate peacemaking. Each new home represents a physical and political anchor for Israel on land that, according to peace agreements, is supposed to be up for negotiation in a final peace deal.

Palestinians, as well as many Israelis and foreign governments, condemn the expansion as an effort by Mr. Netanyahu's government to preempt negotiations. "It is a systematic, stepped-up campaign to confiscate more land," Hanan Ashrawi, a Palestinian Authority government minister, said in a recent interview. "They will build enough settlements to fill the West Bank with Israelis, and then there won't be a need for final status negotiations."

Mr. Netanyahu, who draws essential political support from the estimated 150,000 West Bank settlers, denies that the expansion is an obstacle to peacemaking and says it is not prohibited by the peace accords signed so far.

The government has resumed construction gradually, perhaps because of budget constraints, but also to avoid a violent response, said Amiram Goldblum, who monitors settlements for Peace Now, which opposes settlement construction. "A high-profile move would cause an explosion" among Palestinians, he said, as it did last March, when Mr. Netanyahu announced the start of work on Har Homa, a new Jewish neighborhood for 30,000 to be set in largely Arab-populated East Jerusalem.

After Israel captured the West Bank from Jordan in the 1967 Arab-Israeli war, hard-line Israelis began building settlements amid the hostile Arab population to claim the territory as part of Israel. Now, 144 fenced and guarded settlements dot the rocky hills and valleys. Most are small villages, although some comprise a dozen or so people living in trailers, and others are towns of as many as 20,000 people.

Making the beginnings of peace in 1993, Israel and the Palestinians agreed to settle who gets what land in the final stage of negotiations. Israel's Labor Party governments froze much of the settlement construction, although they let it continue where it appeared likely that the land eventually would go to Israel, Israeli and foreign analysts say.

Mr. Netanyahu's government has unfrozen old projects and expanded incentives for Jewish settlements to cover all of the West Bank. Settlers can get an income-tax break of 7 percent or more, plus housing loans of $14,000 and subsidies for schools.

In August, a Peace Now survey of 120 settlements found 4,700 houses or apartments under construction — and this month, The Associated Press reported 7,500 units being built in 65 settlements. Such construction, enough for 20,000 to 30,000 residents, suggests housing expansion of 10 percent or more per year — "well beyond natural growth" of settler populations, which is no more that 5 percent a year, Mr. Goldblum said.

American officials say a U.S. government study last spring reported significant vacancies in the settlements, and Peace Now reported 3,200 vacant homes in its August survey.

Mr. Netanyahu's spokesman, David Bar-Ilan, denied that the government was taking over new land for settlements, but Palestinians and Peace Now said settlers frequently did so by establishing distant "extensions" to existing settlements. "They might put three or four mobile homes out" on a hilltop and begin building permanent homes, Mr. Goldblum said.

■ Protest Over Withdrawal Plan

Hundreds of Jewish settlers protested Sunday the planned troop withdrawal from more West Bank land, while controversy swelled over Mr. Netanyahu's calling the West Bank "part of Israel proper," The Associated Press reported

In the West Bank town of Hebron, several dozen Palestinians threw rocks at Israeli soldiers, who responded by firing rubber bullets. One protester was slightly injured. In a speech Friday to an international Jewish media conference in Jerusalem, Mr. Netanyahu said the West Bank was "part of Israel proper."

Somali Factions Reach Accord At Cairo Talks

Compiled by Our Staff From Dispatches

CAIRO — Somali warlords have reached a reconciliation agreement after more than five weeks of talks in Egypt, an Egyptian Foreign Ministry official announced Sunday.

The accord, worked out during meetings that began here Nov. 12, will be made public Monday at a ceremony at the Foreign Ministry, said Medhat Kadi, who is in charge of African issues.

It appeared likely that the declaration would be on similar lines to a document on national reconciliation presented to Islamic summit meeting this month in Tehran by the Egyptian foreign minister, Amr Moussa, on behalf of the faction leaders.

That document said Somali leaders had agreed to a seven-point plan and were working on further measures to achieve national reconciliation. A copy was obtained by Reuters.

Among the points agreed to were:

- Safeguard the country's independence, sovereignty, national integrity and regional security.
- Adopt a federal system of government.
- Form a 13-member Presidential Council to be elected by the National Reconciliation Conference.
- Form a national government to be headed by a prime minister selected by the National Reconciliation Conference.
- Set up a 189-member Council of Deputies with constituent assembly powers.
- Create an independent judicial body and prohibit the setting up of special courts.
- Hold a National Reconciliation Conference in the Somali city of Baidoa. *(AFP, Reuters)*

Avian Flu Kills 3d Hong Kong Victim

Reuters

HONG KONG — A deadly avian flu claimed its third victim Sunday, a teenage girl, as international health experts worked to contain the virus before it spreads.

A government statement said the girl, who was 13, was the third person to die from the effects of the H5N1 virus, found only in birds until May.

The total number of cases remains eight, three of whom have died. There are two other suspected cases.

Surveillance and testing has been stepped up at Hong Kong hospitals and clinics.

The leading flu expert of the Geneva-based World Health Organization arrived in Hong Kong over the weekend to join the investigation of the virus and to help determine whether it was spreading from human to human, the first sign of an epidemic.

The expert, Dr. Daniel Lavanchy, said the UN agency and its collaborating centers were preparing the special viruses necessary to develop a vaccine against the virus.

But he said a vaccine against the virus would not be ready until the middle of next year.

Even if there are "immediare needs in the very near future to make a vaccine, don't expect a vaccine before mid-'98," Dr. Lavanchy said Saturday.

The virus is thought to be transmitted through contact with chickens.

Dr. Lavanchy said no evidence had been found so far that the virus was being transmitted from human to human.

In France, health authorities said over the weekend that preventive measures were being taken at airports.

Travelers from Hong Kong were being told they should consult doctors if they showed any signs of flu in the two days following their arrival.

Dr. Lavanchy said that there was no reason to restrict travel to Hong Kong but that there had been growing concern overseas of a repeat of a 1968 "Hong Kong flu" that killed 46,500 people worldwide.

Florida Disney Park Outdraws Its Parent

The Associated Press

ANAHEIM, California — Disneyland has been unseated as the most popular theme park in North America by Walt Disney World in Florida.

Disneyland's attendance will drop by about 6.5 percent — roughly 1 million patrons — to 14.25 million this year after the California park eliminated the intensely popular Main Street Electrical Parade in 1996 for the critically panned Light Magic Show.

Walt Disney World in Orlando, Florida, however, sold 17 million tickets this year, according to Monday's edition of the trade journal Amusement Business.

Disneyland had its best year in 1996, with 15.3 million visitors.



Heritage of yesterday...today.

Hotel Sofitel
METROPOLE HANOI
15 NGO QUYEN STREET, HANOI, SOCIALIST REPUBLIC OF VIETNAM
TEL : (84.4) 8.266 919
FAX : (84.4) 8.266 920
E-MAIL : Sofmet@netnam.org.vn

Residential Real Estate
every Friday in The Intermarket



Are You Prepared ?
1997 & 1998 Will Generate Major Currency Moves.
These moves will directly affect the value of your Portfolio. Prepare yourself to take advantage of these moves by calling today.

SUPERIOR	*Selection of Managed Accounts*
OUTSTANDING	*Global Currency Analysis*
EXCEPTIONAL	*Execution Forex or Futures*
MINIMUMS	*$10,000 to $5,000,000 (USD)*
COMMISSION	*2-3 FX Spreads Futures $12-$36*

Peter G. Catranis
Forex & Futures Specialist

For My Complimentary Services Guide, Latest Research Reports, Opinions and Performance Records Call (24 hours) Toll-Free.

Australia	1800125944	*Belgium*	0800158890	*Brazil*	0008119215513
Colombia	980120837	*Denmark*	80016132	*Finland*	08001110064
France	0800902248	*Greece*	0800119213013	*Germany*	0130829686
Hong Kong	800967209	*Israel*	1771000102	*Italy*	167873928
Japan	0031126609	*Korea*	0038110243	*Luxembourg*	08004552
Mexico	9588098784178	*Netherlands*	060220857	*N. Zealand*	0800441880
Portugal	050112632	*Singapore*	8001202501	*S.Africa*	0800986337
Spain	900931007	*Sweden*	020793158	*Switzerland*	0800897233
Thailand	0018001119216613	*USA*	8009945757	*UK*	0800966532

US-Toll Voice Line +714-376-8020 US-Toll Fax Line +714-376-8025

TRAVEL UPDATE

Autobahn Jam to Poland

BERLIN (AP) — Truckers, holiday travelers and icy weather helped create a traffic jam on the autobahn to Poland, stretching 90 kilometers and, by Sunday, trapping some drivers for 48 hours.

The jam started early Friday, when freezing rain slowed truckers driving east from Berlin to Frankfurt an der Oder, the sole border crossing for trucks to Poland.

By Sunday morning, the vehicles — mostly trucks — were backed up from the border to the southern edge of Berlin, about 90 kilometers away. The jam started easing Sunday afternoon, the police said, with traffic moving slowly and the backup reduced to 40 kilometers.

Water lapped around a Christmas tree in St. Mark's Square in Venice on Sunday as several days of rain swelled canals. *(Reuters)*

An air traffic controllers strike over pay and working conditions in Zimbabwe stranded domestic passengers Sunday. International flights were not affected. *(AFP)*

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

TUESDAY: Japan.

WEDNESDAY: Andorra, Austria, Brazil, Bulgaria, Czech Republic, Denmark, Finland, France, Germany, Guatemala, Iceland, Israel, Italy, Liechtenstein, Luxembourg, Macau, Mexico, Norway, Panama, Portugal, San Marino, Singapore, Slovakia, Spain, Sweden, Switzerland, Vatican City.

THURSDAY: *All countries except:* Afghanistan, Algeria, Armenia, Azerbaijan, Bahrain, Bhutan, Bosnia-Herzegovina, China, Cuba, Egypt, Ethiopia, Georgia, Iran, Iraq, Israel, Japan, Kazakhstan, Kuwait, Kyrgyzstan, Libya, Macedonia, Maldives, Mauritania, Moldova, Mongolia, Morocco, Nepal, Oman, Qatar, Russia, Saudi Arabia, Serbia, Somalia, Tajikistan, Thailand, Tunisia, Turkey, Turkmenistan, Ukraine, United Arab Emirates, Yemen.

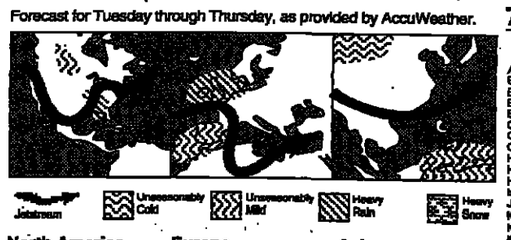
FRIDAY: Andorra, Aruba, Australia, Austria, Bahamas, Barbados, Belgium, Belize, Bermuda, Botswana, Britain, British Virgin Islands, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, Germany, Ghana, Gibraltar, Greece, Grenada, Guyana, Hong Kong, Hungary, Iceland, Ireland, Italy, Jamaica, Kenya, Latvia, Lesotho, Liechtenstein, Lithuania, Luxembourg, Macau, Malawi, Namibia, Netherlands, Netherlands Antilles, New Zealand, Nigeria, Northern Ireland, Norway, Poland, Portugal, Romania, San Marino, Sierra Leone, Slovakia, Slovenia, South Africa, Suriname, Swaziland, Sweden, Switzerland, Tanzania, Trinidad, Uganda, Vatican City, Zimbabwe.

SATURDAY: Vatican City.

Sources: J.P. Morgan, Bloomberg.

WEATHER

Forecast for Tuesday through Thursday, as provided by AccuWeather.



Jetstream · Unseasonably Cold · Unseasonably Mild · Heavy Rain · Heavy Snow

North America
A strong storm will bring heavy rain to the Gulf Coast states and the Mississippi River Valley. Another storm will bring rain and snow to the Maritimes for the holidays. Western Canada will continue to be unusually mild for late December.

Europe
Travel to the British Isles will be hampered Tuesday and Wednesday by a fierce Atlantic storm that will track over Ireland Wednesday afternoon. It will also be cloudy and rainy in eastern Europe. The Iberian Peninsula and southern France will be sunny and warm for the holidays.

Asia
Very cold air will be drifting south over northwest China and Mongolia. In contrast, it will be very warm in the Philippines and Indonesia. High pressure, centered over eastern China and Japan, will keep most of the region dry through the holidays, making for fast travel.

Legends: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, ice, W-Weather.

Maps, forecasts and data provided by AccuWeather, Inc. ©1997 - http://www.accuweather.com

Europe

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algarve	18/64	9/48 r	18/64	12/53 pc
Amsterdam	6/43	3/37 c	6/46	7/44 sh
Ankara	7/44	3/37 sh	4/39	-1/31 r
Athens	14/57	9/48 pc	14/57	9/48 c
Barcelona	12/53	11/52 r	13/55	6/43 pc
Belgrade	9/48	3/37 r	7/44	-1/31 c
Berlin	6/43	3/37 c	5/41	2/35 c
Brussels	7/44	4/39 c	8/46	6/46 sh
Budapest	8/46	5/41 r	6/43	2/35 c
Copenhagen	3/41	2/35 c	4/39	2/35 sn
Costa Del Sol	17/62	11/52 r	18/64	11/52 s
Dublin	10/50	7/44 r	11/52	11/52 pc
Edinburgh	7/44	5/41 c	8/46	6/43 sh
Florence	10/50	3/37 c	9/48	4/39 c
Frankfurt	6/43	3/37 sh	5/41	2/35 sh
Geneva	4/39	1/34 c	4/39	2/35 r
Helsinki	0/32	-4/25 c	1/34	-3/27 c
Istanbul	13/55	8/46 c	11/52	6/43 r
Kiev	-3/29	-4/25 sn	-1/31	-3/27 sn
Las Palmas	23/73	18/64 s	23/73	19/66 s
Lisbon	14/57	9/48 r	15/59	11/52 pc
London	8/46	7/44 sh	11/52	9/48 pc
Madrid	12/53	5/41 r	12/53	3/37 pc
Mallorca	13/55	12/53 r	14/57	6/43 sh
Milan	5/43	1/34 c	6/43	1/34 sh
Moscow	-9/16	-9/16 c	-4/25	-7/20 c
Munich	2/35	-4/25 sn	3/37	-1/31 pc
Nice	14/57	8/46 s	14/57	7/44 c
Oslo	2/35	-3/27 pc	1/34	-4/25 sn
Paris	8/46	3/37 c	9/48	6/43 pc
Prague	5/41	2/35 r	4/39	-1/31 c
Reykjavik	5/46	6/43 r	6/46	4/39 sh
Riga	1/34	-1/31 c	1/34	-2/29 sf
Rome	13/55	6/43 pc	13/55	6/43 c
St. Petersburg	-1/31	-6/22 pc	-1/31	-4/25 c
Stockholm	2/35	-2/29 c	2/35	-3/27 c
Strasbourg	3/37	2/35 sn	6/43	3/37 r
Tallinn	1/34	-2/29 c	1/34	-2/29 c
Tbilisi	6/46	4/39 sh	7/44	4/39 r
Venice	6/43	1/34 sh	7/44	2/35 c
Vienna	6/46	4/39 sh	7/44	1/34 c
Warsaw	3/37	-1/31 sh	2/35	-1/31 c
Zurich	2/35	1/34 sn	4/39	2/35 sn

Middle East

Abu Dhabi	23/73	13/53 s	23/73	13/53 s
Beirut	18/64	12/53 pc	18/64	12/53 pc
Cairo	20/68	9/48 pc	22/71	9/48 s
Damascus	16/61	5/41 pc	18/61	5/41 s
Jerusalem	14/57	6/43 pc	14/57	5/41 s
Luxor	24/75	6/43 s	26/79	6/43 s
Riyadh	19/66	7/44 s	23/73	10/50 s

Africa

Algiers	17/62	13/55 sh	17/62	7/44 r
Cape Town	24/75	15/59 pc	29/79	16/61 s
Casablanca	18/64	9/48 sh	18/64	12/53 s
Harare	27/80	7/44 pc	27/80	9/48 s
Lagos	32/89	23/73 s	32/89	23/73 pc
Nairobi	27/80	13/55 pc	27/80	13/55 c
Tunis	16/61	11/52 pc	17/62	12/53 r

Asia

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Almaty	6/43	-4/25 c	-4/25	-20/-3 sn
Bali	33/91	23/71 pc	33/91	22/71 pc
Bangkok	34/93	23/71 s	31/88	20/68 pc
Beijing	7/44	-2/29 s	7/44	1/34 s
Bombay	29/84	17/62 s	29/84	17/62 s
Calcutta	24/75	11/52 s	25/77	11/52 s
Chiang Mai	32/89	15/59 s	29/84	14/57 pc
Colombo	29/84	23/73 sh	29/84	23/71 pc
Hanoi	21/70	14/57 sh	19/66	14/57 c
Ho Chi Minh	33/91	23/71 pc	32/89	21/70 pc
Hong Kong	22/71	18/59 c	19/66	13/55 pc
Islamabad	18/64	6/43 r	17/62	3/37 c
Jakarta	29/84	23/73 sh	29/84	23/73 r
Karachi	28/70	13/55 s	27/80	11/52 s
K. Lumpur	30/86	23/73 r	28/82	23/73 r
K. Kinabalu	29/84	23/73 sh	29/84	23/73 r
Manila	31/88	21/70 pc	31/88	21/70 pc
New Delhi	23/73	4/39 s	23/73	3/37 s
Phnom Penh	32/89	22/71 s	29/84	21/70 pc
Phuket	34/93	23/71 s	31/88	20/68 pc
Rangoon	31/88	15/61 s	31/88	18/61 s
Seoul	5/41	-4/25 c	4/39	-4/25 pc
Shanghai	11/52	5/41 r	12/53	4/39 sh
Singapore	27/80	24/75 r	27/80	23/73 c
Taipei	23/73	18/61 sh	20/68	13/55 pc
Tokyo	6/46	5/43 pc	8/46	6/46 c
Vientiane	31/88	14/57 pc	27/80	13/55 pc

North America

Anchorage	-2/29	-9/16 sn	-4/25	-7/20 sn
Atlanta	13/55	7/44 r	16/61	9/48 pc
Boston	3/37	-1/29 s	7/44	2/35 sh
Chicago	3/37	0/32 r	4/39	-3/27 pc
Dallas	14/57	9/48 c	13/55	-1/31 r
Denver	0/32	-9/16 c	2/35	-10/15 pc
Detroit	3/37	1/34 r	9/48	0/32 pc
Honolulu	24/75	17/62 s	27/80	19/66 pc
Houston	19/64	11/52 pc	18/64	8/41 sh
Los Angeles	17/62	7/44 s	19/66	3/37 s
Miami	28/82	20/68 pc	29/84	23/71 pc
Minneapolis	0/32	-9/16 sf	-2/29	-9/16 pc
Montreal	-2/29	-9/16 pc	4/39	-5/24 sf
Nassau	27/80	21/70 pc	28/82	21/70 pc
New York	4/39	1/34 pc	11/52	4/39 sh
Orlando	27/80	17/62 r	28/82	17/62 pc
Phoenix	12/53	3/37 sh	13/55	2/35 pc
San Fran.	12/53	3/37 s	13/53	3/37 pc
Seattle	6/43	1/34 c	6/43	3/37 c
Toronto	4/39	1/34 pc	7/44	-3/29 sf
Vancouver	2/35	-2/29 c	4/39	2/35 pc
Washington	7/44	2/35 r	14/57	6/46 pc

Latin America

Buenos Aires	23/73	13/55 pc	25/77	14/57 pc
Caracas	27/80	18/64 pc	27/80	19/66 pc
Lima	27/80	21/70 sh	27/80	21/70 c
Mexico City	22/71	9/48 pc	20/68	8/46 c
Rio de Janeiro	31/88	23/73 s	29/84	24/75 pc
Santiago	27/80	8/46 s	28/82	9/48 s

Oceania

Auckland	23/73	14/57 s	23/71	16/61 s
Sydney	31/88	19/66 pc	24/75	19/66 pc

One of the few predictable elements of travel.

The Leading Hotels of the World

Over 300 of the World's finest hotels in 68 countries.

Your Host Today

SPLENDIDE ROYAL, LUGANO, SWITZERLAND

Imprimé par Offprint, 73 rue de l'Évangile, 75018 Paris.

صكذا من الأصل

THE AMERICAS

A Procedure To Speed Up Abortions

Technique Can Be Used 8 Days After Conception

By Tamar Lewin
New York Times Service

HOUSTON — In the latest of a series of new techniques that blur the line between contraception and abortion, a growing number of abortion clinics in the United States are offering abortions to women as early as 8 or 10 days after conception, before they have missed a menstrual period.

The new technique, pioneered by Dr. Jerry Edwards, the medical director at Planned Parenthood here, is not available everywhere, and it is still relatively new in most clinics where it is offered.

Nonetheless, many reproductive-health experts say it may move up the timing of a large number of abortions.

"With some of the ultrasensitive pregnancy tests now on the market, women can pick up a pregnancy even before they've missed their period," said Dr. Michael Burnhill, vice president for medical affairs at the Planned Parenthood Federation of America.

"For most women, the sooner they know they're pregnant, and the sooner they decide what they're going to do, the better. With these very early abortions, we're talking about a whole gestational sac that's the size of a matchstick head. It's nobody's picture of a little baby sucking its thumb."

Though polls show that most Americans are more comfortable with early abortions than late ones, the National Right to Life Committee says there is no moral difference, because a unique human being begins to develop the moment an egg is fertilized and anything meant to stop that development is an abortion.

So far, 23 Planned Parenthood affiliates have begun offering very early abortions, many of them just in the last few months. Vicki Saporta, executive director of the National Abortion Federation, said that although she did not know exact numbers, her group had trained doctors to perform such abortions, and the technique was spreading to other clinics.

What has made the new technique possible is a combination of better ultrasound imaging that shows the gestational sac in its earliest stages and more sensitive pregnancy tests, some of which can now detect pregnancy as soon as the embryo is implanted in the womb, a week to 10 days after fertilization. The technique uses a hand-held syringe that avoids both the noise and cost of the vacuum pump used for later abortions.

Traditionally, doctors have been reluctant to perform abortions before six or seven weeks of gestation, because of the lack of accurate early pregnancy tests and the risk of incomplete abortion.

Medically and legally, abortion-rights advocates say, pregnancy starts with implantation. The Roman Catholic Church and the National Right to Life Committee, however, believe that pregnancy begins with the union of a sperm and egg.

"As soon as an egg is fertilized, it starts growing into a human being with its own individual DNA, different from its parents," said Laura Echevarria, the committee's director of media relations. "Scientifically speaking, there's no difference between a fertilized egg and what you have three weeks later. Saying it's O.K. to kill it in the early stages because you're more comfortable with that is completely arbitrary."

These philosophical differences remain as sharp and bitterly debated as ever. But as a practical matter, the possibilities available to women who want to avoid child-bearing come close to erasing the line between contraception and abortion.

"Medically and legally, there's a difference between contraception and abortion," said Janet Benshoof, president of the Center for Reproductive Law and Policy. "But for women who do not want to have a baby, it's now a seamless web."



Jose Luis Magana/The Associated Press

Cardinal Jaime Ortega greeting well-wishers after Mass in Havana where he read a message from Pope John Paul II, who praised the Cuban government's declaration of Dec. 25 as a holiday in honor of his upcoming visit.

Miami Archdiocese Cancels Cuba Cruise

New York Times Service

MIAMI — The archbishop of Miami has canceled plans for American Catholics to travel on a cruise ship to Cuba for Pope John Paul II's visit next month, calling the means of transportation "a source of serious tension in our community."

Archbishop John Favalora bowed to pressure from Cuban exile organizations and civic leaders who told him a luxury cruise ship was insensitive to those who died at sea trying to escape from Cuba and the hundreds of Cuban priests expelled from the island by ship in the 1960s.

Archdiocese officials said that the group planned to charter an airplane instead.

"I'm very grateful to the archbishop," said Rafael Penalver Jr., a Miami lawyer active in Cuban exile affairs. He also is part of a group of prominent Catholics that met on Thursday with the archbishop over the issue.

"We are opposed to the church sponsoring a symbol that would be exploited by the Cuban government," Mr. Penalver added.

The church had chartered a Norwegian Cruise Line ship for what it described as a pilgrimage to show solidarity with Cuban Catholics.

But the plan faced intense opposition from Miami's conservative exile leaders whose pressure on the archdiocese to cancel the sea voyage intensified last week when they made their appeals public.

Caribbean Is Warming to Castro's Isle

English-Speaking Nations Bury the Cold War and Open Up Exchanges

By Larry Rohter
New York Times Service

KINGSTON, Jamaica — After nearly 15 years of American-induced separation, Cuba and the English-speaking countries of the Caribbean are moving rapidly to reactivate their relations. Thanks to that effort, Elvis Lopez Calderon, a 32-year-old Cuban mathematics teacher, has a new job here.

Mr. Lopez is one of 19 Cubans who arrived here last month to spend two years teaching in Jamaican schools. Their presence was made possible by several trade and technical agreements that Jamaica and Cuba signed when Prime Minister P.J. Patterson visited Havana in June, and it recalls similar Cuba-Jamaica exchanges in the 1970s that incurred Washington's wrath.

In those days, of course, programs to bring Cuban doctors here or send Jamaican students to Havana were seen in the context of the Cold War and the eagerness of Michael Manley, then prime minister, to build Third World alliances. But Jamaicans in and out of government argue that times have changed and that the policy of the English-speaking Caribbean needs to change, too.

"Communism has broken down and represents no threat to us in the region," said Claude Packer, director of Mico Teachers College, where Mr. Lopez is teaching calculus. "That era is gone, and since we are their neighbor, only 90 miles away, we think there can be collaboration and cultural exchange that works both ways."

With that notion firmly implanted here, Jamaica, the largest English-speaking nation in the Caribbean, is once again leading efforts to reach out to Cuba. Jamaican policy, like that of a growing number of Caribbean countries, is one of "deepening the collaborative ties between our governments and peoples," Foreign Affairs Minister Seymour Mullings said recently.

Several Caribbean nations, including Jamaica, Barbados, Guyana and Trinidad and Tobago, first established diplomatic ties with Cuba a quarter of a century ago, defying Washington's policy of political and commercial isolation. But after the United States and countries of the eastern Caribbean invaded Grenada in October 1983 to put an end to Cuban influence there, those relationships cooled.

Besides Mr. Patterson, who is currently chairman of the 15-member Caribbean Community, or Caricom, Prime Minister Keith Mitchell of Grenada and Prime Minister James Mitchell of St. Vincent and the Grenadines have also traveled to Cuba this year. This month, Billie Miller, foreign minister of Barbados, the country from which the 1983 invasion of Grenada was mounted, also paid an official visit to Havana.

"We have to be able to strike strategic relationships with those who are willing to help us in charting a course of serious development as we confront the 21st century," Keith Mitchell said earlier this year. "When we look back at our relationship with Cuba, I think most Grenadians of all ages and groups agree that, overall, the Cuban role and presence here was positive."

Fidel Castro, the Cuban leader, has been invited to attend a Caricom summit meeting in Grenada early next year. Cuba recently opened an embassy in Trinidad, and Mr. Castro may also visit Jamaica sometime in 1998, diplomats said.

A Caricom delegation met with Cuban officials in Havana this month to discuss such trade, investment, maritime links and bilateral projects. The meeting followed Caricom's earlier endorsement of Cuba's effort to gain eligibility for European trade benefits that the rest of the Caribbean already enjoys.

At the beginning of the decade, trade between Caricom and Cuba was barely $5 million. That figure has since grown tenfold, and is expected to increase further as the Cuban economy opens to foreign investment.

Officials from several countries said that Cuba's emergence as a tourist destination in recent years has been an equally important factor in their decision to expand ties. Air Jamaica flies to Havana three times a week from its hub in Montego Bay, and the Superclubs group, a leading Jamaican resort chain, manages half a dozen hotels in Cuba.

POLITICAL NOTES

White House Plans Tax 'Counterpunch'

WASHINGTON — The White House has decided against offering any major proposals to cut or simplify taxes in its forthcoming election-year budget, gambling that it can successfully counter Republican plans by portraying them as regressive and irresponsible.

While producing their own tax simplification formula had political appeal, senior administration officials said they kept coming back to the conclusion that there was no way to do so without increasing taxes on the middle class or derailing the plan to balance the federal budget by 2002.

The White House has decided that any attempt to eliminate the deficit in fiscal 1999, even under the rosiest scenarios, would cause too many upheavals.

"The best way for us to get a balanced budget earlier is to stay with this fiscal discipline the president has led over the last five years and resist the temptation to spend money we don't yet have," said Gene Sperling, head of the White House National Economic Council.

Rather than make major tax proposals, President Bill Clinton and his aides probably will sit back and let congressional Republicans take the lead, on the theory that they are too divided among themselves to forge a unified approach and, even if they do, restructuring the tax code would require unpopular trade-offs that could be exploited by Democratic candidates in the 1998 midterm elections. "This is an issue where we're better off counterpunching," a top official said. *(WP)*

Term-Limit Measure Upheld in California

LOS ANGELES — Upholding a measure that has dramatically reshaped electoral politics in the nation's most populous state, a federal appeals court has ruled that legislative term limits approved seven years ago by California voters do not infringe politicians' constitutional rights.

The 8-3 ruling by the 9th U.S. Circuit Court of Appeals in San Francisco reversed two earlier federal court rulings this year, both of which had overturned the limits.

Opponents of term limits vowed to appeal the ruling Friday to the U.S. Supreme Court.

The ruling came less than two months before the Feb. 4 deadline for candidates to file for statewide elections next year, and supporters of term limits said the Supreme Court would be unlikely to block the law before then. Under the law as it now stands, 26 state legislators, including the Assembly speaker and the Senate majority leader, must retire. *(NYT)*

Quote/Unquote

Dick Morris, President Bill Clinton's former pollster, on why the president wanted a dog: "He sits in his sitting room, with Chelsea's portrait on the wall, playing solitaire, with an unlit cigar. What people don't really get is that the presidency is a very, very solo job." *(NYT)*

Away From Politics

• **Intruders tried unsuccessfully to** dig up granite paving stones at the gravesite of President John Kennedy in Arlington National Cemetery, U.S. Park Police said. The stones, near the eternal flame at Mr. Kennedy's grave, weigh several hundred pounds each and are anchored together. *(AP)*

• **A young Georgia pupil** has been suspended for 10 days for bringing a gift-wrapped bottle of Bordeaux wine as a Christmas present for his French teacher. Cosmo Zinkow, a teenager, violated Georgia laws against possession of alcohol by a minor and bringing alcohol onto school property, Cobb County school officials said. The offender's father said that his son had offered his teacher the bottle of wine in a sealed box wrapped with Christmas paper. The teacher reported the boy to the school principal, who suspended him. *(Reuters)*

• **The NAACP national board** voted in Chicago to remove a longtime civil rights activist, Hazel Dukes, from the board after she admitted stealing more than $13,000 from an associate who has leukemia and who trusted Ms. Dukes with her finances. *(AP)*

• **The largest U.S. nuclear utility** was forced to shut the third of seven atomic power plants, this time because of concerns over fire-safety procedures. At Commonwealth Edison's Quad Cities nuclear station near the Illinois border with Iowa, a fourth of the seven power plants is shut for maintenance. *(AP)*

AMERICAN TOPICS

An Annus Mirabilis For Calendar Buffs

They are too big to stuff in a stocking. Otherwise, calendars are the near-perfect answer to many gift-seekers' needs. In department stores, bookstores and seasonal shopping-mall kiosks, their sales have exploded in recent years.

The buyer faces an almost daunting array of choices.

Dog lovers, for example, can insist on a calendar not just about bulldogs but about *English* bulldogs.

Calendars celebrate 120 breeds, from Belgian malinoys to miniature schnauzers, reports the Los Angeles Times.

There are humorous calendars — Gary Larson's "The Far Side" calendar remains the favorite — and the seriously artistic, featuring classical etchings or contemporary photography.

Elegant European poster calendars sell well, as do calendars by African-American artists.

Calendars of lightly dressed men and women are perennial best-sellers, but a more serious "Great Women of the World," from the Library of Congress, is also doing well.

There is a calendar for left-handed people, and a "Calendar of Fat," which feanures photographs of foods that vary wildly in terms of bulk but have the same fat content — one chocolate chip versus five pounds of grapes, for example.

Calendar sales worldwide have passed $5 billion a year, according to a trade association in Chicago, and they appear to be headed up.

With prices averaging around $12, that is a lot of calendars.

Short Takes

The Brooklyn Bridge is for sale, sort of, and this time, no scam is involved. On Jan. 2, a home-shopping television channel, QVC, will hold live bidding for the right to have one's name featured on a plaque on the bridge as its "owner."

Bidding is to start at $25,000, with the proceeds to help pay the costs of bridge upkeep.

The city hopes a corporation or well-heeled individual will see the care of the 114-year-old landmark as a good cause. Or why not give it to a friend for Christmas?

Then there is this, for the last-minute shopper with more than adequate means: At the Ritz-Carlton in Tysons Corner, Virginia, Mom and Dad can really knock Junior's socks off. A four-day package at the five-star hotel includes a stay in the presidential suite. On Christmas morning, Junior awakens to a roomful of toys, assembled and wrapped, from F.A.O. Schwarz. They include a man-sized stuffed bear ($2,900), a gas-powered Mercedes one-seater ($6,200) and a Sing and Snore Ernie (a mere $39.99, but so hard to find that a black market has sprung up). Lest Mom and Dad feel neglected, the hotel provides beluga caviar, Dom Perignon Champagne, massages, dinner and a baby-sitter. Cost: a cool $35,000. But then you can't put a price on Junior's happiness . . . can you?

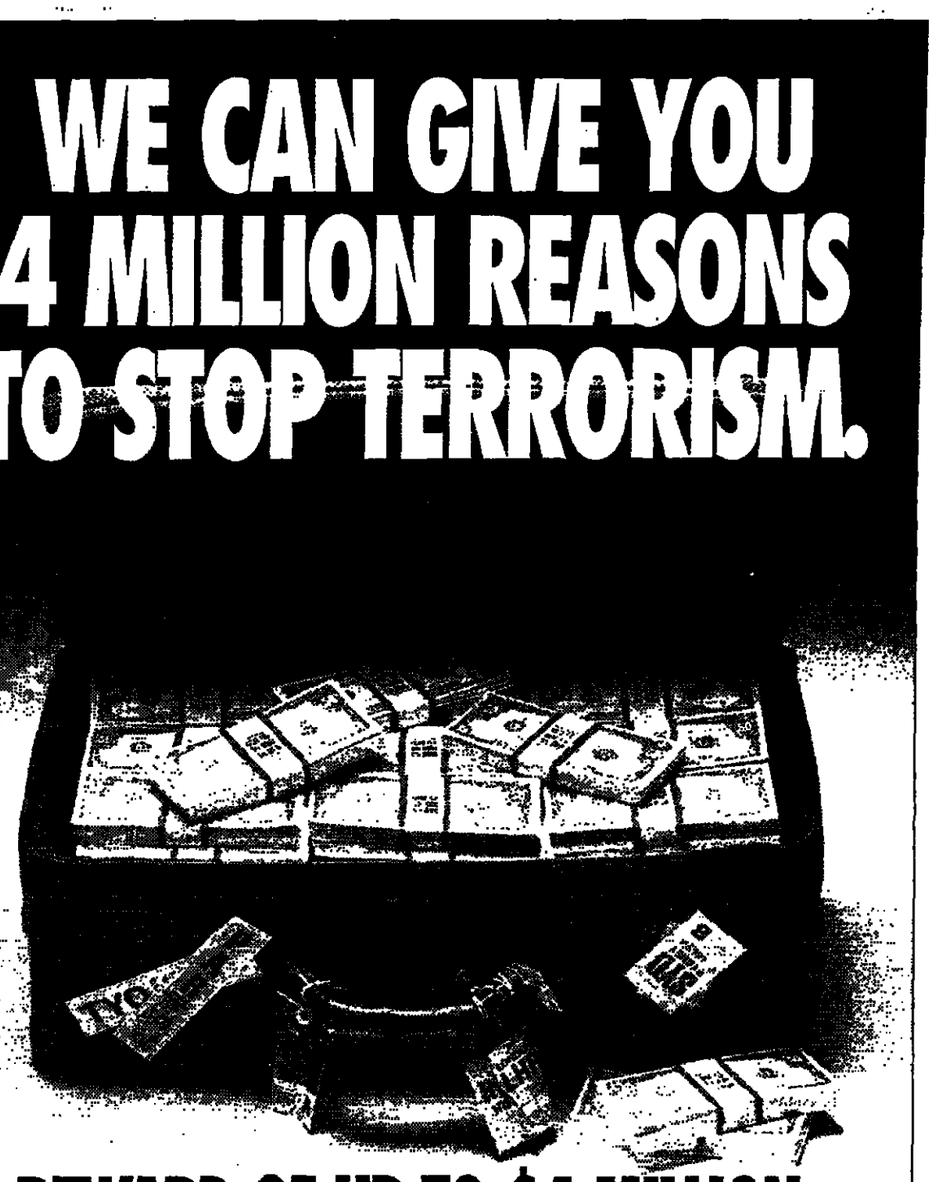
Mary Christmas loves the holidays, especially the one she's reminded of whenever someone calls her name. Her stationery bears the festive line, "From the House of Christmas." She named her first son Joseph. "My mama named me Mary when I was born, but it took me 20 years to marry a man by the name of Christmas," said the 62-year-old from Las Cruces, New Mexico.

Names with a holiday ring can be a headache, however. Just ask Kathy Claus, wife of Chris Claus, who is the brother of Nicholas Claus. "It's a great conversation starter," she said, "but we can't even order a pizza at this time of year" without being taken for pranksters.

Brian Knowlton

Offshore
Companies, Trusts
Tax Planning
EXAMPLE INCORPORATION FEES
OFFSHORE TRUSTS • BANKS
INSURANCE COMPANIES
For immediate service contact:
INTERNATIONAL COMPANY SERVICES (IRELAND) LTD
The Offshore Professionals
189 Lower Baggot Street, Dublin 2, Ireland.
Tel: + 353 1 661 8490
Fax: + 353 1 661 8493
E-Mail: int@icsl.com
http://www.ICSL.com

WE CAN GIVE YOU 4 MILLION REASONS TO STOP TERRORISM.



REWARD OF UP TO $4 MILLION.

The United States government, airlines, and airline pilots all want your help in stopping terrorism aimed at commercial air travel, and they are willing to pay for it. If you have information that aids in the prevention of terrorist acts outside the United States against U.S. air carriers, or that leads to the arrest or conviction of any person who has committed a terrorist act against U.S. air carriers you may be eligible for a reward of up to $4,000,000. The U.S. government also can provide for the protection of identity and the possibility of relocation for persons and their families furnishing such information.

Any person with information should contact the nearest United States embassy or consulate, or write to: Program Director, P.O. Box 96781, Washington, D.C. 20090-6781, USA

Program developed and funded by: Air Line Pilots Association and Air Transport Association in coordination with U.S. Department of State.

Internet: www.heroes.net E-mail: heroes@heroes.net

ASIA/PACIFIC

CIA Spy's Defection in '87 Defused Taiwan's Nuclear Bomb Program

By Tim Weiner
New York Times Service

WASHINGTON — A U.S. spy whose role was cultivated for two decades rose to the top of Taiwan's secret nuclear weapons program and, at a crucial moment, stole vital documentation that stopped the bomb program in its tracks, according to former intelligence officials.

The theft by Colonel Chang Hsien-yi, a longtime Central Intelligence agent in Taiwan, halted a program that 20 years of international inspection and U.S. intervention had slowed but never stopped, the officials said.

The covert U.S. operation culminated 10 years ago this month. And though it was reported then that the colonel had defected, dealing a crippling blow to Taiwan's nuclear weapons program, his work has never been acknowledged openly or described in detail by U.S. officials.

That weapons program had the potential to ignite a war; China had threatened a military attack if Taiwan deployed a nuclear weapon. And Taiwan was closer to developing a nuclear weapon than was previously known, according to a study to be published next month in the Bulletin of the Atomic Scientists.

The study provides lessons for stopping the spread of nuclear weapons today. It shows how a nation can secretly and patiently assemble a nuclear weapons program piece by piece, as several U.S. allies and enemies — among them Israel, Iraq and Iran — have done with varying degrees of success. And the study also demonstrates how international political and diplomatic pressure can disrupt a nation's dreams of possessing nuclear arms.

The story of Colonel Chang, who was deputy director of Taiwan's nuclear energy research institute and the spy who stopped the nuclear weapons program, has never been fully told.

The CIA refuses to discuss it, and Colonel Chang effectively disappeared after he defected to the United States 10 years ago.

He was recruited as a CIA agent in the 1960s, according to former intelligence officials. In the 1970s, as he rose through the ranks of Taiwan's secret weapons hierarchy, Colonel Chang was nurtured and cultivated as a spy for the United States. In the 1980s, he provided the United States with a unique inside look at the burgeoning nuclear bomb program — secret information that could not be obtained by electronic eavesdropping or spy satellites.

Of the former intelligence officials who discussed the case, only James Lilley, a retired U.S. ambassador and former CIA station chief in Beijing, agreed to be quoted by name. Mr. Lilley said he believed it was time for the case to publicly acknowledged as a great success.

"You pick a comer, put the right case officer on him and recruit him carefully, on an ideological basis — although money was involved — and keep in touch," Mr. Lilley said. "Then, in the early '80s, it began to pay off."

In December 1987, as the program was gaining steam, Colonel Chang defected to the United States, with the CIA's assistance, smuggling reams of documents out of Taiwan: damning evidence of the progress Taiwan had made toward building a bomb. State Department officials confronted Taiwan, which agreed to halt the program.

"This was a case where they actually did something right," Mr. Lilley said, referring to the U.S. intelligence and diplomatic communities. "They got the guy out. They got the documentation. And they confronted the Taiwanese."

Taiwan's official position ever since has been that it will not use its scientific expertise and technical abilities to build a nuclear weapon.

The 2 Kims Agree to Pardon Chun and Roh

By Steven Mufson
Washington Post Service

SEOUL — In an attempt to promote national reconciliation and focus on South Korea's economic crisis, President Kim Young Sam and President-elect Kim Dae Jung have agreed to pardon two former leaders who are serving long prison sentences for treason and graft.

The two jailed former presidents, Chun Doo Hwan and Roh Tae Woo, were arrested in late 1995 and sentenced last year for taking hundreds of millions of dollars in bribes from businessmen and for playing leading roles in the December 1979 military coup and the May 1980 suppression of a pro-democracy uprising in Kwangju.

Mr. Chun was serving a life sentence and Mr. Roh a 17-year term.

Twenty-three of their associates imprisoned on similar charges also were pardoned. Of those, 17 were jailed in connection with the 1979 coup and 1980 massacre and six in connection with corruption charges.

In a statement read by his spokesman, Kim Young Sam said this was the time when "the country should mobilize all its resources through reconciliation and overcome the present economic crisis."

President-elect Kim endorsed the pardon even though he was jailed and exiled by Mr. Chun, the former military leader.

Several months after the coup in December 1979, Mr. Chun, then president, ordered the arrest of Kim Dae Jung on charges of fomenting the Kwangju uprising that ended in the deaths of 200 people. Mr. Kim was subsequently tried and sentenced to death. After Washington intervened, Mr. Kim's sentence was reduced to life in prison and then to a 20-year term. He was released two years later.

"One of the important campaign promises on the part of the president-elect was to bring the country together for what he termed grand national harmony, reconciling regions and bringing all the people together," said an aide to Kim Dae Jung. "What better way than for him to demonstrate that he meant what he said than giving pardon to two political leaders who persecuted him."

After the pardon is approved by the cabinet Monday, Mr. Chun and Mr. Roh will be free to return home with all their rights as citizens, including the right to participate in politics.

But the privileges usually given former presidents — a pension, three secretaries; reduced costs for train fares and medical care — will not be restored. Moreover, in connection with charges about their former slush funds, Mr. Chun and Mr. Roh will be liable for hefty fines, only small portions of which have been paid. Mr. Chun must pay $137 million and Mr. Roh $163 million.

You Jong Kuen, governor of North Cholla Province and an informal adviser to the president-elect, said it would have been better if Mr. Chun and Mr. Roh had sincerely expressed contrition.

"But I think it's good to put the era of divisiveness behind and open a new chapter of reconciliation," he said.

Kim Dae Jung's consent was necessary, Mr. You said, because he had pressed earlier for the trial of the former leaders and because he had suffered at their hands.

"Kim Dae Jung has been the most prominent victim of persecution by the military dictators," Mr. You said. "So if anyone can say 'I suffered' and say 'Enough is enough,' it's Kim Dae Jung."

One of South Korea's best known human rights group criticized the decision to free the former presidents.

"The decision really provokes our anger. Why should laws exist if they fail to punish the most ugly criminals?" said Lim Ki Ran, a spokeswoman for Mingahyup, Reuters reported. "The amnesty is a backward step in our history and will not help heal national wounds inflicted by Chun and Roh."



Reuters

Former Presidents Roh Tae Woo, left, and Chun Doo Hwan at their sentencing in 1996 in a Seoul court.

BRIEFLY

54% in Okinawa City Oppose U.S. Heliport

TOKYO — Nearly 54 percent of the voters in a referendum Sunday in Nago opposed the construction of a U.S. military helicopter port near the city to replace one elsewhere on Okinawa, whose leadership has sought to reduce the U.S. military presence.

The outcome of the vote was not binding. But the Okinawa governor, Masahide Ota, declared, "We have to put great importance on what the people have said through this vote."

Voters had four choices, and 16,254 simply voted to reject the heliport. Another 385 opposed it on the grounds that "economic benefits and environmental protection cannot be expected." The total negative vote was 16,639, or 53.8 percent.

Only 2,562 gave unqualified approval. Another 11,705 approved "with the expectation that the city will receive economic benefits and a promise to protect the environment" from the central government.

The United States wants to build the floating heliport near Camp Schawb, a U.S. Marine base in Nago, to handle flights now made from the Futemma Air Station, which is to be closed in five to seven years. *(AP)*

Divers Find Only Bits Of Singapore Jetliner

MAKARTI JAYA, Indonesia — In a blow to the search for victims from a crashed Singapore-owned jetliner, a rescue commander said Sunday that divers had mistaken pieces of the plane on a murky riverbed for a mostly intact fuselage.

Rescue crews searching in swift currents said earlier that they had found most of the wreckage of the SilkAir Boeing 737, which crashed Friday. The police believe that all 104 people on Flight MI-185 were killed when it plunged into the Musi River on Sumatra Island. Police and navy teams have recovered some human remains, luggage and passports. *(AP)*

Factions Halt Fighting In Northern Cambodia

CHONG CHOM PASS, Thailand — Fighting died down Sunday between Cambodian factions, a day after an opposition leader claimed to have reached tentative agreement on cease-fire talks.

No artillery or mortar exchanges were heard for the first time since Dec. 15, when the army of the Cambodian leader, Hun Sen, began an offensive against troops loyal to the deposed co-prime minister, Norodom Ranariddh.

The reason for the lull was unclear, but it followed a report by a Cambodian opposition leader, Sam Rainsy, that Mr. Hun Sen, Prince Ranariddh and the top resistance general had agreed in principle to a cease-fire. *(AP)*

Laotians Go to the Polls

VIENTIANE, Laos — With all the candidates approved in advance by the ruling Communists, Laotians voted Sunday for a new Parliament that is expected to continue gradual changes toward a more open economy.

Voting is mandatory for the 2.5 million eligible voters among the country's 4.5 million people. Results will be known in four to five days.

Among the 159 candidates contesting the 99 National Assembly seats, all but four, who are businessmen, were members of the Lao People's Revolutionary Party. *(AP)*

Hard Cash for the Homeland

Korean-Americans Sending Millions to Offset Crisis

By William Booth
Washington Post Service

LOS ANGELES — Bobby Moon Lee, dressed to impress in a fine wool suit, valet parks his black sedan, rakes a hand through his gelled hair and clutches his zippered purse, holding a cellular phone and plenty of plastic.

He is on a mission of mercy.

During the holiday season, Korean-Americans who are doing well — and even those struggling as house painters, liquor store clerks and dry cleaners — traditionally send back to their homeland boxes of presents.

But this year, as the South Korean economy experiences an economic collapse, Mr. Lee and thousands like him are sending home cold, hard cash.

Lots of it. Millions. In Korean communities around the United States — in Washington, Seattle, Chicago, New York and particularly here in Southern California, home to more than 500,000 Korean immigrants — millions of dollars are being wired back into the Korean economy. The money is being sent as cash gifts, loans to friends and family and, with the easing of restrictions demanded by the International Monetary Fund as part of its bailout program, as stocks and other investments, some at bargain-basement prices.

There is heartfelt feeling in the gift-giving by Mr. Lee and other Korean-Americans, but there is something else, too. There has always been a certain subtle level of envy or jealousy or friction between those who came to America and those who did not, an almost sibling rivalry, and now the little brother in America — who endured the Los Angeles riots and the hard lessons of the immigrant experience — is sending not only cash, but also a message.

"The mother country is hurting," said Mr. Lee, a 40-something owner of rental properties and a member of the "1.5 generation," those who were born in Korea but who grew up mostly in Los Angeles and other U.S. cities. "My money will help, and it gives me, I don't know how to explain this, some satisfaction."

Mr. Lee smiled. "It is only a drop in the bucket, I know. But it feels like we are bailing them out of their trouble." He said he thought this was somehow ironic, given South Korea's recent climb to affluence, yet also sad and serious.

Korean-American banks in Southern California, many started by a few hundred immigrants pooling their money, are reporting a surge in wire transfers to Seoul. The banks, in self-interest, are waiving the transfer fees.

In early December, the Korean government revealed that the country's foreign debt was about $160 billion, far larger than previously believed, and most of it short term. South Korean officials have appealed to the international community and investors to help prop up their faltering banks.

The Korean-American Chamber of Commerce began a campaign several weeks ago, urging immigrants here to send cash instead of, or in addition to, holiday gifts. Taking out ads in the community newspaper here, the chamber suggested that every Korean-American send $100 to the mother country. In the best possible response, said Harrison Kim, executive director of the chamber, that might translate into $50 million to $100 million from the States.

"It is more of a symbolic thing," said Jin Chul Jhung, president of Royal Imex, an import-export firm and an officer at the Overseas Korean Traders Association, one of the many such business groups that have a parallel role as civic and cultural organization. "We're helping. But it is really for our own peace of mind. The debt is so large."

Unlike the more established Japanese and Chinese, the Korean community in the United States is among the newest of the immigrant groups. There were only an estimated 10,000 Koreans living in Southern California in 1970. There are more than a half-million today, making it one of the largest populations of Koreans outside Korea. The Korean-American Chamber of Commerce estimates that in Los Angeles County alone there are probably 25,000 businesses owned by Korean-Americans with gross annual sales of $4.5 billion.

The first wave of Koreans often opened small businesses — dry cleaners and corner markets and small sewing shops. Some of these were among the hardest hit during the 1992 riots, and the community and its business class is struggling in the aftermath — not only rebuilding but also taking classes in English and working to overcome a reputation, particularly among their black and Latino clients, for rudeness.

The community is growing not only larger, but also more sophisticated and Americanized. Kelly Suh, 22, was having coffee with her friends in a trendy Koreatown cafe and confessed that she feels the turmoil in South Korea is far, far away. "My parents talk about it all the time, but for me, I'm more American than Korean," said Miss Suh, a graphic artist.

"It's not like I'm going back to there to live. I feel sorry for them, the Koreans in Korea, you know, but it's their own fault."

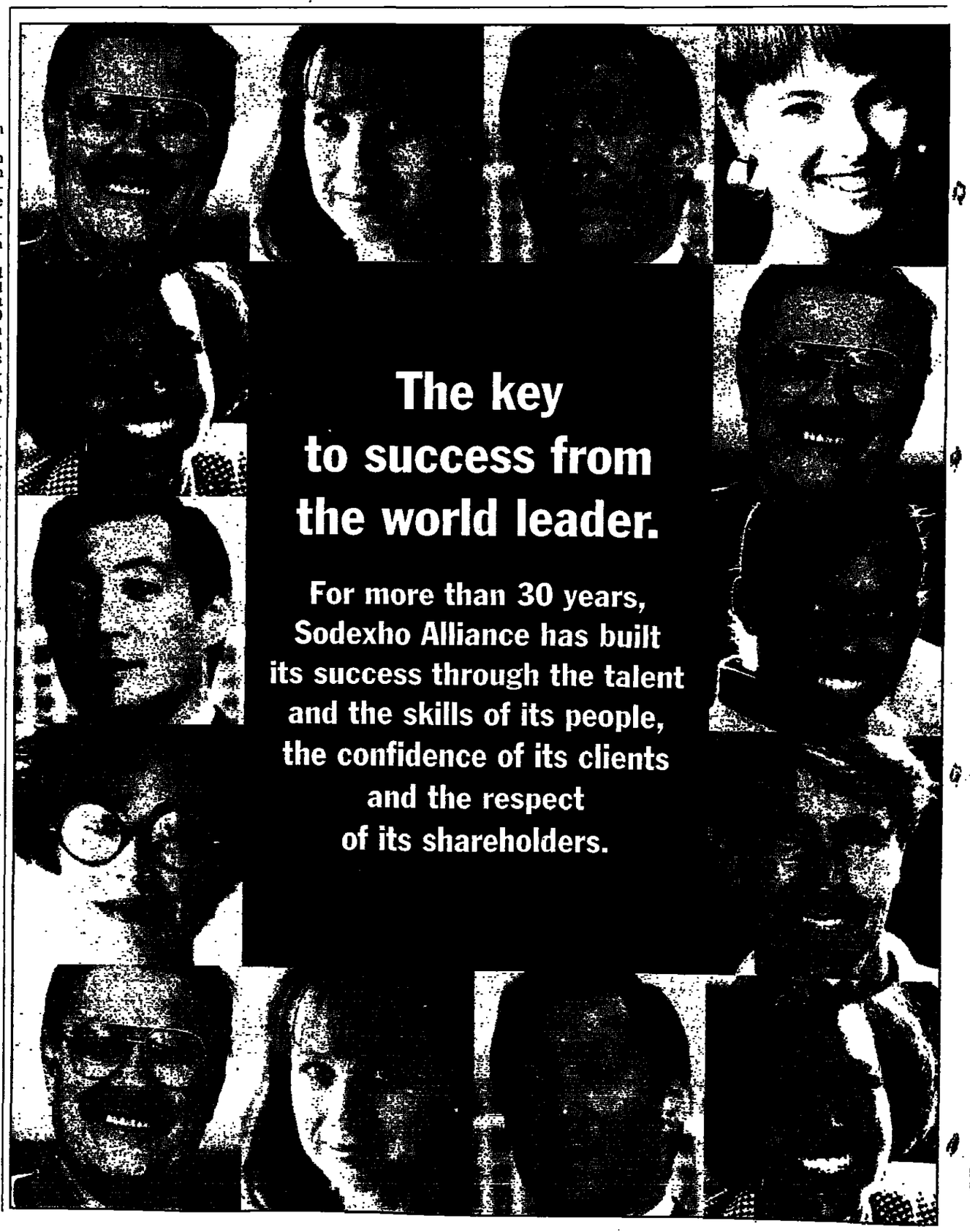
This kind of thinking represents a sea change in the community.

"In the 1970s and '80s, the Koreans who came to America were seen as the cream of the crop, the elites and people back in Korea were somewhat jealous of them," said Ed Chang, a professor of ethnic studies at the University of California at Riverside and a Korean-American who studies the community. "But beginning in the 1990s, the Korean economy rose so sharply and the value of the dollar fell, and so many Korean-Americans felt that Koreans were celebrating too much and too early."

When nouveau riche tourists came from Korea to Koreatown, to shop and party, they were looked down upon. "They came and bought Burberry coats and brandy," said Andrew Ahn, a Korean-American and business editor of the Korean-language Korea Times. "They should have been more thrifty. That's what Korean-Americans thought."

Change is coming to Koreatown. The close ties of family and finance are changing. The signs advertising services to immigrants and Korean tourists, once all in Korean, are beginning to include English, in the hopes of wooing new non-Korean customers, but also for another reason.

"I can't read Korean as well as I should," said Miss Suh, the graphic artist. When she goes to a Korean restaurant, "sometimes I wish they just gave me a menu in English. That's the way I think things are going."



هكذا من الأصل

هكذا من الأصل

EUROPE

French Youths Vent Anger Over Killings By the Police

Compiled by Our Staff From Dispatches

LYON — Violence flared in two tense French suburban communities as angry youths continued their protests against the police killing of two young men, the police said on Sunday.

Eight cars were set ablaze in a Lyon suburb where Fabrice Fernandez, 24, was shot to death Thursday while being interrogated by a policeman now under investigation on murder charges.

Mr. Fernandez was killed with a rifle seized by a policeman from the victim or his half-brother, who also was arrested along with a third person, officials said.

According to the police, rampaging youths burned 27 cars and three trucks Friday night and Saturday. Five or six gunshots were fired at police and firemen at the scene, they said, with one bullet piercing a police car.

Authorities were originally to open an investigation for "voluntary injuries leading to unintentional death." But the officer who fired the shot was finally placed under investigation on the more serious count of voluntary homicide, which could bring a 30-year prison term on conviction.

In a Paris suburb, youths hurled stones at riot police but caused no major damage in the latest night of violence after a 16-year-old, Abdelkader Bouziane, was shot in Dammerie-les-Lys on Tuesday as he tried to drive through a roadblock.

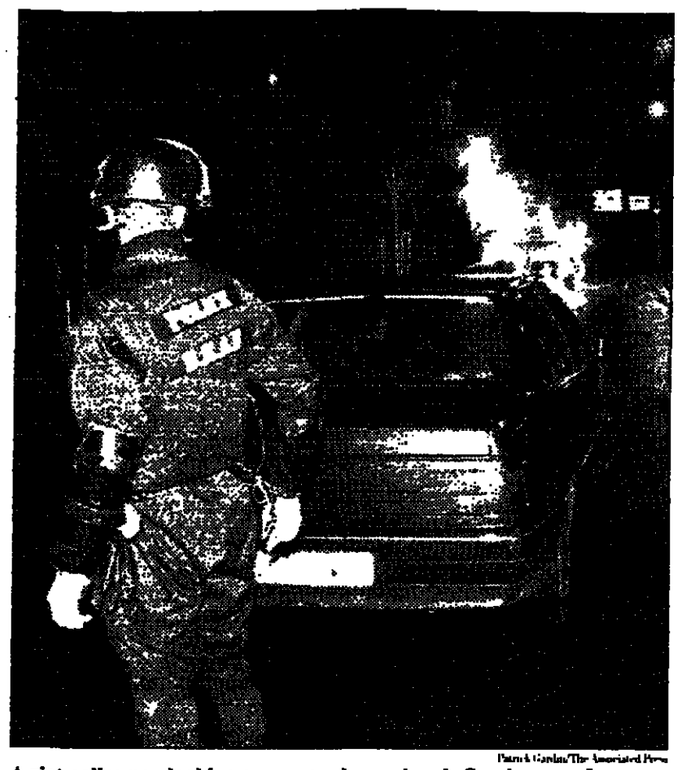
Originally explained as a accident, the death of Mr. Fernandez looked more suspicious the more officials looked into it, judicial sources said.

The accused policeman had twice been sanctioned for unprofessional conduct in the past.

Alain Pappalardo, a half-brother of Mr. Fernandez and detained with him, said he saw the victim's blood-covered face and heard officers in the police station boasting after the killing.

The family of Mr. Fernandez, the unemployed father of three, called for a silent protest march on Monday. Mr. Fernandez was in custody as a suspect because police had found him carrying the firearm after hearing gunshots.

Although unrelated, the incidents were part of a recent wave of violence around large French cities where bored and unemployed youths take out their anger by attacking police and public transport. *(Reuters, AFP)*



Patrick Gardin/The Associated Press

A riot policeman looking on as a car burned early Sunday near Lyon.

Diana's Estate May Sue Ritz

Reported Claim Against Paris Hotel Would Be £8 Million

The Associated Press

LONDON — Advisers to the estate of Diana, Princess of Wales, are considering a multimillion-pound claim against the Ritz Hotel in Paris, owned by Mohamed al Fayed, in compensation for her death, The Sunday Times reported.

Quoting a royal source, the paper said the minimum claim would be £8 million ($13.4 million), the amount of the inheritance tax bill on her £21 million estate.

But it said the estate could also claim a further £25 million in interest that would have accrued on Diana's estate during her lifetime.

The estate could sue for Diana's premature death if French investigators rule that the chauffeur, Henri Paul, employed by the Ritz, was responsible for the princess's death.

Tests revealed that Mr. Paul was three times over the French blood-alcohol limit for motorists when the Mercedes limousine he was driving crashed in a Paris tunnel on Aug. 31. Mr. al Fayed's son, Dodi, and Mr. Paul also died in the crash.

"If a hotel provides a car and a driver, then anyone riding in it has every reasonable right to expect the car and driver are suitable to perform the task assigned," the paper quoted a royal source as saying.

"The Ritz Hotel is a candidate for culpability."

But Diana's former head of staff, Michael Gibbins, said Saturday night: "No consideration has been given to the question of any civil action, nor would that consideration be given until the criminal investigation has been completed."

"The hypothesis that a Ritz Hotel employee was responsible is no more than a hypothesis at the moment," Mr. Gibbins said.

He confirmed that the estate was registered as an "interested party" in the continuing criminal investigation in Paris.

Mission to Bosnia: A Mixed 2 Years

Peacekeeping Successes Are Tempered by an Aversion to Risk

By William Drozdiak
Washington Post Service

TUZLA, Bosnia — When the Dayton peace accords were signed and the NATO-led peacekeeping mission started to roll into Bosnia in December 1995, Lieutenant Colonel Michael Helmick was prepared for the worst. For two years he had labored at allied headquarters in Belgium on military intervention options as the Balkan ethnic wars raged and the UN protection force unraveled.

Upon arriving with the first wave of American soldiers in Operation Joint Endeavor, the 39-year-old battalion commander discovered that all of the meticulous planning did not cushion the shock of what he and his fellow peacekeepers from 30-odd nations experienced. They were astounded by the degree of devastation and human suffering.

"Nothing could prepare you for what we saw," Colonel Helmick said. "It took us a few days to get organized. Everybody was extremely tense. There were lots of hostile soldiers standing around with AK-47s, clashes at every checkpoint and undisciplined firing at night. Mines were everywhere, and snipers were hiding in the hills shooting at us."

Now that he is back for his second tour of duty with the 1st Armored Division, Colonel Helmick is cautiously upbeat about the transformation wrought by the peacekeeping mission.

"The armies have been separated and demobilized. We've gotten heavy weapons out of the battlefield," the colonel said. "But there are still a lot of ethnic tensions. We're starting to punch some holes in the zones of separation, but the healing process has a long way to go."

President Bill Clinton, announced Thursday that U.S. troops will remain in Bosnia indefinitely beyond a June 1998 deadline.

When the president arrives here Monday to visit the 8,000 American troops serving in Bosnia under Task Force Eagle, he will meet soldiers and commanders who believe their effort to date has produced a mixed record.

On the positive side, the Americans and other allied troops have suppressed Europe's bloodiest conflict since World War II, disengaged ethnic armies, banished heavy weapons and supervised an exchange of territories in accordance with the Dayton peace accords. They also have rebuilt 2,300 kilometers (1,500 miles) of roads, 60 bridges and many heating plants and water pumping stations.

But critics say the Americans have stopped short of the kind of aggressive action needed to expedite the peace process because their commanders are terrified of taking risks. While 12 American soldiers have died in Bosnia in the past two years, most of the deaths were due to accidents or natural causes, and none resulted from armed confrontation.

Most of all, the peacekeepers are accused of avoiding the hazardous task of arresting major war criminals, such as a former Bosnian Serb president, Radovan Karadzic, and his military commander, Ratko Mladic.

But the arrests Thursday of two indicted Croats by Dutch troops, and the shooting of a Serbian suspect and capture of another in July by British soldiers have raised hopes that the NATO-led peacekeeping forces may be willing to adopt a tougher attitude.

"Why was this not done 18 months ago?" asked Michael Williams, a Bosnia specialist at the Institute of International Studies, in London. "The big flaw has been a refusal to combine civilian and military agendas. We are all paying a heavy price for the Somalia syndrome."

He was referring to the deaths of 25 American soldiers during the UN famine relief mission in the East African nation that many critics say has made the avoidance of casualties the top priority of American peacekeeping missions.

While they have provided logistical support for both the Dutch and British operations in Bosnia, U.S. troops have yet to arrest a war crimes suspect.

General Wesley Clark, who replaced General George Joulwan last summer as NATO's supreme commander, bristles at suggestions that U.S. troops have become hunkered down in a protective bubble to avoid casualties.

"We arrived here with a heavily armed force that would brook no opposition, and from that point of view this mission has been an outstanding success," said General Clark, who was chief military adviser to the U.S. negotiating team that mediated the Dayton accords.

"We learned our lesson from the UN experience and made it clear we were not bluffing," he added. "We established military dominance and then reached out to the warring parties at every level except for indicted war criminals.

"We realize our tasks have evolved, but we are not prepared to act like a police force that conducts home searches and keeps traffic moving. We are sticking to the mandate given by our governments."

Of the 2,000 American troops here at Eagle Base Tuzla, nearly 40 percent are serving their second tour of duty in Bosnia.

The extra experience has been helpful in some respects, but the nine-month stints have imposed stresses on their families living at bases in Germany or the United States.

Despite family hardships, living conditions for the U.S. troops are relatively comfortable. They are housed in heated C-huts, or wooden barracks draped with waterproof canvas, with six to eight bunk beds per hut. Soldiers praise the high quality of food in the cafeteria and the well-equipped gymnasium.

For entertainment, U.S. troops have attended rock concerts by U2 and Bon Jovi. There will be lots of caroling, a tree-lighting ceremony and country-western musical shows over the Christmas and New Year's holidays, along with plenty of cases of nonalcoholic beer, according to Major Jim Yonts, the Eagle Base public affairs officer.

While such perks help boost morale, many U.S. soldiers say their biggest satisfaction comes from seeing the progress they have achieved on the peacekeeping front — even though they acknowledge an enduring peace is far from assured.

"We felt pretty nervous at the outset," said 1st Sergeant Willie Coleman, 36. "Now those of us who have been here for a while have been able to break the ice and relax a little bit. I feel good about what we have done. The kids are really special. It's nice to see them waving and smiling and telling us how happy they are that we brought an end to their misery."

Staff Sergeant Jimmy Fulgham, 38, says he has tried to reach out to the Bosnians by performing magic shows at orphanages. But he also has no illusions about the depth of hatred among ethnic groups. It was his responsibility to set up field artillery guns near voting booths ahead of recent elections.

"We figured we needed to provide a secure environment near the voting booths," he said. "We don't want to scare people or show favor for one side or another. But we also don't want anybody to think about messing with us."

Even before President Clinton decided to extend the U.S. military's stay in Bosnia, many soldiers acknowledged they saw no end in sight to their mission because Bosnians still seem far from managing their own affairs peacefully.

"We hope we are not making them too dependent on us," said Captain Greg Goth, 29. "Right now we can give them some stability to hold on to until they have time to recover."

Serbia Votes for President, Again

The Associated Press

BELGRADE — In an attempt to defuse a political impasse, Serbia attempted for the fourth time Sunday to fill the presidential post left vacant by the country's strongman, Slobodan Milosevic.

The race has boiled down to two candidates — Mr. Milosevic's fellow Socialist, Foreign Minister Milan Milutinovic, and the outspoken, extreme nationalist head of the Radical Party, Vojislav Seselj.

The office has been vacant since July, when Mr. Milosevic became president of Yugoslavia, which comprises Serbia and Montenegro.

"I hope that the candidate of the left, Milan Milutinovic, finally wins," Mr. Milosevic said after voting. He was accompanied by his neo-Communist wife and coalition partner, Mirjana Markovic.

Three ballots in three months to elect Mr. Milosevic's successor have failed. The winner needs at least 50 percent of the vote, and turnout must be at least 50 percent.

BRIEFLY

Ex-German Soldiers Report Neo-Nazi Acts

BONN — The German Army, struggling to fend off charges that it is a haven for neo-Nazis, suffered a further setback Sunday when two former soldiers said they had seen incidents of rightist extremism.

One said officers often sang Nazi songs and listened to speeches by Hitler at a barracks in Bavaria. The officer's remarks, along with an amateur videotape showing an officer playing the Nazi leader, was to be broadcast Sunday by Focus TV.

The other former soldier, the son of former Transport Minister Guenther Krause, told the Bild am Sonntag newspaper he had witnessed numerous cases of extremism, including officers shouting the "Sieg Heil" Nazi cry.

Responding to the report, the Defense Ministry in Bonn said it condemned the actions, but that the soldiers should have reported the incidents to their superiors rather than the media. *(Reuters)*

Berlusconi's Woes Grow

MILAN — The legal woes of the Italian media tycoon and former prime minister Silvio Berlusconi have deepened as prosecutors in Milan asked for an indictment against him in their investigation into the alleged bribery of judges.

Mr. Berlusconi, the leader of the center-right opposition, dismissed the request as another sign of what he says is an underhanded attempt by his political foes to discredit him. The prosecutors believe that Mr. Berlusconi had a slush fund for bribing Rome judges in cases affecting his vast business empire.

The prosecutors also asked Saturday for indictments against Cesare Previti, who was Mr. Berlusconi's lawyer, top aide and defense minister. *(AP)*

No Survivors in Crash

FOTINA, Greece — Rescue teams reached the charred wreckage of a Ukrainian passenger jet on a remote slope near the Mount Olympus range and said that none of the 70 people aboard had survived.

Greek officials also reported that five air force officers were killed when their military plane crashed on its way to help in the search Saturday.

The Soviet-designed Yak-42 crashed Wednesday in a wooded area at an altitude of about 1,219 meters (4,000 feet) near this small village, about 70 kilometers (40 miles) southwest of Salonika. The flight originated at Odessa, Ukraine. *(AP)*

Lithuania Goes to Polls

VILNIUS, Lithuania — A Lithuanian-American and a former top prosecutor headed a field of seven candidates in presidential election Sunday in Lithuania.

Valdas Adamkus, a Lithuanian-born American ecologist, and Arturas Paulauskas, a former prosecutor general of the Baltic state, were the top contenders in the campaign's final days. The incumbent, Algirdas Brazauskas, 65, is not a candidate.

The Itar-Tass news agency said Sunday that the latest polls showed Mr. Paulauskas, 44, having a slight edge over Mr. Adamkus, 71. *(AP)*

Papon Court Turns to the Children

Reuters

PARIS — Maurice Papon, his defense shaken by his own testimony, faces a crucial phase of his war crimes trial this week when the court examines the fate of children who were victims of the Holocaust.

The Bordeaux court, where the former Vichy official is accused of sending 1,560 Jews to concentration camps, starts investigating on Monday an August 1942 convoy that sent at least a dozen Jewish children to their deaths.

Mr. Papon, 87, has tried to persuade the court that he used his post as a senior bureaucrat in Bordeaux from 1942 to 1944 to save Jews from being deported to Auschwitz.

But the prosecution says the local Service for Jewish Questions under his control rounded up children for deportation without orders from the Germans, who at first excluded children under 16 from arrests.

This phase of the trial follows a turning point last week when Mr. Papon admitted he knew about the concentration camps in June 1942.

Contract Food and Management Services - Remote Site Management - Service Vouchers and Cards - Leisure Services

Annual results

The Board of Directors of Sodexho met under the chairmanship of Pierre BELLON to close the accounts for the year ended August 31, 1997.

I - BUSINESS PERFORMANCE

The number of units rose from 13,512 to 14,381 during the year, while the number of employees rose from 141,118 to 151,595. Operations are now located in 66 countries worldwide.

The year also saw the award of a large number of new contracts:

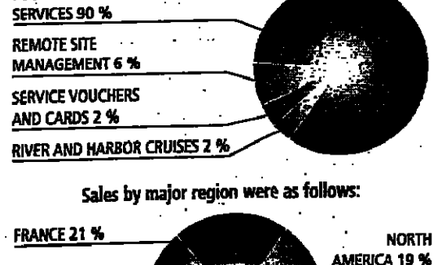
- **Food and Management Services:** Motorola in Toulouse (France), Chase Manhattan Bank and the Aldershot military base in the United Kingdom, the University of Pittsburgh (PA) and a facilities management contract for twenty psychiatric hospitals in the United States, Siemens in Brazil, Germany and Sweden, Danone in Moscow, and the Institute of Education in Hong Kong.
- **Remote Site Management:** Shell UK in the North Sea and the Escondida Mine in Chile, the largest mining project in the world.
- **Service Vouchers and Cards:** Gemplus in France and the Ministry of Communication and Transportation in Mexico.

II - FINANCIAL RESULTS

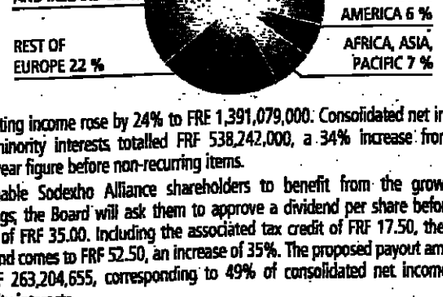
Over the year, consolidated sales increased by 18% to FRF 29,497,050,000, broken down as follows:

- Organic growth ..... 7 %
- Acquisitions ..... 1 %
- Currency effect ..... 10 %

By core business, the revenue stream broke down as follows:



Sales by major region were as follows:



Operating income rose by 24% to FRF 1,391,079,000. Consolidated net income less minority interests totalled FRF 538,242,000, a 34% increase from the prior-year figure before non-recurring items.

To enable Sodexho Alliance shareholders to benefit from the growth in earnings, the Board will ask them to approve a dividend per share before tax credit of FRF 35.00. Including the associated tax credit of FRF 17.50, the total dividend comes to FRF 52.50, an increase of 35%. The proposed payout amounts to FRF 263,204,655, corresponding to 49% of consolidated net income less minority interests.

III - NEW SHARE ISSUE

The Board of Directors noted that all of last November's FRF 2 billion share issue had been subscribed. Shareholders responded very positively to the issue, despite difficult conditions in the financial market.

IV - ACQUISITION OF MARRIOTT INTERNATIONAL INC.'S FOOD AND MANAGEMENT SERVICES BUSINESS

- On October 31, Sodexho Gardner Merchant acquired Marriott International Inc.'s food and management services business in the United Kingdom.
- As announced on October 1, the merger of Sodexho North America and Marriott Management Services in North America is scheduled for first-quarter 1998. Sodexho Alliance will hold 49% of the new company, the Marriott family will retain around 10% and the rest will be publicly owned. The new company, Sodexho Marriott Services Inc., will be the North American market leader, with more than 4,800 units and FRF 24 billion in sales. Its shares will be listed on the New York Stock Exchange. The link-up will also strengthen Sodexho Alliance's global market leadership. A financing commitment for Sodexho Marriott Services Inc. has been obtained from Société Générale and JP Morgan. Financing is now being syndicated.

V - OUTLOOK

The Board of Directors discussed the outlook for the future, which remains favorable. Pierre BELLON indicated that for the current fiscal year, based on currently available data:

- Consolidated net income less minority interests, excluding the merger of Sodexho North America with Marriott Management Services in North America, is expected to increase by more than 10% over the previous year.
- The merger with Marriott Management Services involves a certain number of aspects that are beyond Sodexho Alliance's control and which could modify the impact on fiscal year 1997/98 earnings. These include:
  - The date of final closing, which will not be before March 1, 1998.
  - US interest rates at that date.
  - The nature of the integration costs and their accounting treatment.

Excluding the impact of such hard-to-foresee events, and based on shares in issue following the capital increase, net earnings per share should increase by approximately 6% in fiscal year 1997/98.

Pierre BELLON also confirmed that net earnings per share, after amortization of goodwill, are expected to grow by an average 20% a year over the next three fiscal years.

As Sodexho Alliance continues to expand in the world marketplace, we derive important competitive advantage from our independence, our global reach, the quality of our teams and our excellent financial position.

Sodexho ALLIANCE
We make a world of difference

Sodexho Alliance worldwide leader in food and management services

For further information, please contact: Raphaël DUBRULE - Corporate Secretary
Phone: +33 1 30 85 74 74 - Fax: +33 1 30 85 50 05 - Internet : http://www.sodexho.com

THE INTERMARKET

☎ +44 171 420 0348

RECRUITMENT

MAJOR INTERNATIONAL LAW FIRM SEEKS A MID-LEVEL TAX/CORPORATE ASSOCIATE

One of the world's largest multinational law firms presently has an opening in its Brussels office for an associate with a minimum of four years experience in international tax and corporate structuring.

The Brussels office has been in existence for eight years and has a thriving and dynamic practice. It offers the suitable candidate a unique opportunity to participate, at a high-level, in sophisticated pan-European tax structuring and global income tax planning.

Although the position is open to candidates of any nationality a working knowledge of Dutch and French would be preferable, and some experience with one or more European tax jurisdictions is required.

Salary competitive.
Box 490, IHT, 92521 Neuilly Cedex, France

Find A Job, Fast!
http://www.washingtonpost.com
The Washington Post Career post

CNN INTERNATIONAL

MANAGING EDITORS
LOCATION: London and Hong Kong

CNN International is looking for two key executives to help develop its major strategy of regionalisation. The Managing Editors for these regions will be responsible for the supervision of all CNNI Staff in their region. He/She will also have overall editorial control of the daily broadcast.

The ideal candidates should be able to develop new shows, manage the recruitment needs of the region, strategic planning, public appearances and some PR. Liaison with TIME/Time, Warner/Turner International, Ad Sales and distribution, marketing and PR is a major part of this job. The Managing Editors will report directly to the Vice President of CNNI.

The successful candidate will have a proven track record of previous experience in any or all of the above areas. Strong regional knowledge and experience required. Previous management experience is essential.

To apply, please send your CV plus a covering letter with current salary details to: Chris Cramer, Executive Vice-President, CNN International, One CNN Center, 3-South, Atlanta, Georgia 30348, USA, by Friday 23 January. Please do not send a showreel at this stage. NO PHONE CALLS PLEASE.

An Equal Opportunity Employer

LEADING INTERNATIONAL LAW FIRM
seeks
JUNIOR ENGLISH MOTHER TONGUE SECRETARY
- You are bilingual in English & French
- You are eager to work in a young & dynamic environment

This is a permanent position to be filled a.s.a.p.

Please send CV + letter + photo to:
Anne-Sophie Wucher - FEMMES & CARRIERES
20-22, rue Louis-Armand, 75015 PARIS

Publishing company seeks dynamic Publisher for one of its leading European trade publications based in London. Individual must possess 5+ years or relevant experience to effectively direct the magazine's efforts including bottom line responsibility. Candidate must be hands-on selling Publisher with excellent communication skills, follow-through ability and strong leadership qualities.

Please send C.V. and salary requirements to:
Box No 493 IHT, 63 Long Acre, London, WC2E 9JH, England

INTERNATIONAL CONSULTING CO IN PETROLEUM ENGINEERING SEEKS PERSONNEL WITH THE FOLLOWING QUALIFICATIONS:

1) Instrumentation Engineer, 2) Electrical Engineer (power), 3) Quality Control Engineer, 4) Planner/Schedulers.

All positions must have a Degree, at least 10 years experience, and international experience. Must be willing to work 2 months on/one month off. All positions are located in West Africa.

Mail résumé and salary requirements to:
The Manager, Dept. IHT-002,
PO Box 570728-253, Houston, Texas 77257
FAX to: 713/961-3845 USA
e-mail to: 75102.1570@compuserve.com

Executive Positions Available

BILINGUAL EXPERTS needed, educated & experienced in financial markets for part/full-time, salaried/freelance positions as translators or editors. Fax full resume/salary requirements to TECTRAD +33 (0)144929310. Tel +33 (0)144929311

Executives Available

INTERNATIONAL RESEARCH. Researcher, academic, located in Germany, with 6 years experience in Executive Direct Search is looking for international contacts and clients. In the time of 12/25/97 - 01/17/98 interested American persons can get in touch personally. Please contact Ms Diane Livingston, Ritz Plaza Hotel, Miami, FL Tel: 305/534 35 00. Fax: 305/ 531 69 28. After 01/17/98 please contact Germany Fax: ++49/69/95 52 99 - 50

General Positions Available

MULTI-LINGUAL PERSON or Translator wanted, English, French, German, Japanese, Italian, Spanish to work for '98 World Cup Authorized Tour Operator. Compensation commensurate with ability and number of languages spoken. Must be able to travel to France and Los Angeles. Fax resume to: 310-277-5528.

General Positions Wanted

REFINED ITALIAN LADY, 40 years old, internationally educated, good presentation, interesting, intelligent, diplomatic, flexible, world travelled, seeks position as multilingual personal assistant/travel companion on diplomatic-business missions. Please reply via fax to: +39 461 533414

7 YEARS IN TIBET or Taos, London, SF, NYC, Maui. Young female, artistic, personable, good appearance, enjoys Asian mindset, seeks position with liberal, int'l executive. Can travel now. Tel: 954-568-9513 Email www.ktren.com

General Positions Wanted

SPECIAL FORCES TRAINED MALE, 31. Operational SF experience in the Congo and Somalia. Speaks 5 languages. Seeks Security or Intelligent work. Call mobile +32.75.77.02.43

Secretarial Positions Available

SECRETARY / ADMIN for London interior design firm Mac computer. Fax CV to: 0171 408 0049

Educational Positions Available

ENGLISH TEACHERS
Experienced
for Business People.
Dynamic, Friendly Team.
Innovative Teaching Methods.
Paris-Suburbs. Working Papers.
Comptoir des Langues (01) 45 61 53 56

Educational Positions Available

CITY COLLEGES OF CHICAGO - Europe, Equal Opportunity Employer, is accepting applications for Satellite Instructors. Master's Degree in Chemistry, Anthropology, Cinema, International Relations, or Computer Systems is required. Teaching and course development experience necessary. Contact City Colleges of Chicago in Germany at telephone 06134-183220 or Fax 06134-63886 or from outside Germany 0049-6134-183220 or Fax 0049-6134-63886

International Herald Tribune ads work

EDUCATION

Earn a truly International MBA at The American College in London

with campuses in Atlanta, Los Angeles, and Dubai.

- Earn your MBA in four terms
- Day, evening, or weekend classes
- Study on a campus representing 110 countries
- Complete your degree in London, Atlanta, Los Angeles or Dubai
- U.S. accreditation

The American College's culturally diverse campus is the perfect place to focus on international business, one of the fastest growing business segments. Bachelor of Business Administration degree also available.

The American College in London
110 Marylebone High Street, London W1M 3DB
Tel (+44 171) 486-1772 (Outside the UK): (0800) 100-777 (in the UK)
Day or Night

BORDEAUX
- Learn French in one of Europe's most spectacular cities
- Bordeaux Wine Courses!

1 Cours G. Clemenceau, 33000 Bordeaux - France.
E-mail: lsa@imagine1.fr
Tel. (33) 5 56 51 00 76 Fax (33) 5 56 51 76 15

See Wednesday's Intermarket
for Business Opportunities, Franchises, Commercial Real Estate, Telecommunications, Automotive and Entertainment.
To advertise contact Sarah Wershof on +44 171 420 0326 or fax +44 171 420 0338
A GREAT DEAL HAPPENS AT THE INTERMARKET

GENERAL

Personals

MAY THE SACRED HEART of Jesus be adored, glorified, loved and preserved throughout the world, now and forever. Sacred Heart of Jesus pray for us. Saint Jude, worker of miracles pray for us. Saint Jude, helper of the hopeless, pray for us. Amen. Say this prayer nine times a day, by the ninth day your prayer will be answered. It has never been known to fail. Publication must be promised. A.V.

Announcements

Herald Tribune
SUBSCRIBER CUSTOMER SERVICE: For questions or queries about the delivery of your newspaper, the status of your subscription or about ordering a subscription, please call the following numbers: EUROPE, MIDDLE EAST AND AFRICA: TOLL FREE - Austria 0660 8120 Belgium 0800 17538 France 0800 437437 Germany 0130 848585 Greece 00800 3312 1506 Italy 167 780040 Luxembourg 0800 2703 Netherlands 0800 022 5158 Sweden 020 797039 Switzerland 0800 555757 UK 0800 895985 Elsewhere (+33) 1 41438361 THE AMERICAS: USA (toll-free) 1-800-8822884 Elsewhere (+1) 212 7523890 ASIA: Hong Kong 2922 1171 Indonesia 809 1928 Japan (toll-free) 0120 464 027 Korea 3672 0044 Malaysia 221 7055 Philippines 895 4946 Singapore 325 0835 Taiwan 7753456 Thailand 277 4485 Elsewhere (+852) 29221171

Auto Rentals

RENT AUTO DERGI FRANCE: Weekend FF500. 7 days FF1500. Tel: Paris +33 (0)1 4369 5555, Fax: (0)1 4353 9529.

Legal Services

DIVORCE 1-DAY CERTIFIED Call or Fax (714) 968-6686. Write: 16767 Beach Blvd. #137, Huntington Beach, CA 92648 U.S.A. - e-mail - wsiann@juno.com

DIVORCE IN 1 DAY. No travel. Write: Box 377, Sudbury, MA 01776 USA. Tel: 978/443-8387, Fax: 978/443-0183.

Wines & Spirits

HOW TO BUY THE BEST BORDEAUX WINES. DIVINORD FRANCE. Tel: +33 (0)1 47 30 30 55 Fax (0)1 47 37 84 20 *****e-mail: DIVINORD@compuserve.com.

Education

LEARN COMPLETE GREEK (Reading, Pronunciation, Vocabulary, Grammar and Sentence Generation) on your computer from our Read and Speak / CDROM. Details at: http://www.anotek.com

Business Opportunities

OFFSHORE COMPANIES
- 750 READY MADE CO'S AVAILABLE
- FULL ADMIN & ACCOUNTING
- BANKING AND TRADE SERVICES
- TELEPHONE & MAIL FORWARDING
- CHINA BUSINESS SERVICES

OCRA WORLDWIDE
HONG KONG
2402 Bank of America Tower
12 Harcourt Road, Central, Hong Kong
Tel: +852 25220172 Fax: +852 25215399

P.R. CHINA
1905 Shanghai Overseas Chinese Mansion
129 Yan An Road West, Shanghai 200040
Tel: +8621 62484355 Fax: 8621 62481421

E-mail: OCRA@OCRA.COM.HK
Web pages: WWW.OCRA.COM

OFFSHORE BANKS
COMPANIES & TRUSTS
IMMIGRATION/PASSPORTS
Banking-Accounting-Secretarial
Vat Registration-Invoicing
Mail-Phone-Fax Services Worldwide

Aston Corporate Trustees
Aston House, Douglas, Isle of Man
Tel: +44 (0) 1624 626591
Fax: +44 (0) 1624 625126

London
Tel: +44 (0) 171 233 1362
Fax: +44 (0) 171 233 1519

E Mail: aston@enterprise.net
www.aston-iom.demon.co.uk

OFFSHORE COMPANIES. For free brochure or advice Tel: London 44 181 741 1224 Fax: 44 181 748 6568/8338 www.appleton.co.uk

HONG KONG CO. $920. Annual cost $950. SR Ltd. 701, 35 Queen's Rd, C, HK. Tel: 852-2525-0275 Fax 2840-0217

TELECOMMUNICATIONS

New Lower International Rates!

To the U.S. from

Belgium	31¢
France	27¢
Netherlands	23¢
Switzerland	27¢
UK	17¢

- NO Set Up Fees
- NO Minimums
- NO Deposit
- Instant Activation
- Six-Second Billing
- AT&T Quality
- 24-hour Multi-lingual Customer Service

The Original **kallback**
Tel: 1.206.599.1991
Fax: 1.206.599.1981
Email: info@kallback.com
www.kallback.com
417 Second Avenue West
Seattle, WA 98119 USA

Financial Services

PRIME BANK GUARANTEES
Venture Capital Finance Available for Government Projects and Government Companies that are for sale.
Large Projects our Specialty
Also, Long Term Finance for Large and Small Companies
No commission Until Funded

REPRESENTATIVE
Needed to act as Liaison
Please reply in English

VENTURE CAPITAL CONSULTANTS
Investment bankers
16311 Ventura Blvd., Suite 999
Encino, California 91436 U.S.A.
Fax No.: (818) 995-1698
Tel.: (818) 788-8422
Holland: Sr. Assoc. Delta O.G. Lelystad

Translations

ENGLISH-GERMAN TRANSLATOR Translates business, literary, legal, medical & private texts. Tel: France +33 (0)3 4449 6386 Fax +33 (0)3 4449 1234

Business Services

BODYGUARD INTERNATIONAL. Personal protection. Attn: Ken West, 93 Homer St., Belen, NM 87002 USA

Business Services

YOUR OFFICE IN LONDON- Bond Street - Mail, Phone, Fax, Telex Tel: 44 171 290 9000 Fax 171 499 7517

Real Estate for Rent

Paris Area Furnished

AGENCE CHAMPS ELYSEES
Specialists:
Furnished apartments, 3 months or more or unfurnished, residential areas.
Tel: +33 (0)1 42 25 32 25
Fax: +33 (0)1 45 63 37 09

AT HOME IN PARIS
PARIS PROMO
Apartments to rent furnished or not.
Sales & Property Management Services.
25 Av Hoche 75008 Paris Fx 01-45611020
Tel: +33 (0)1 45 63 25 60

Paris Area Furnished

DE CIRCOURT ASSOCIATES

Ideal accommodation: studio-5 bedrooms
Quality and service assured
* READY TO MOVE IN
Tel +33(0)1 43129800. Fax (0)1 43129808

Switzerland

GENEVA, LUXURY FURNISHED apartments. From studios to 4 bedrooms. Tel: +41 22 735 6320 Fax +41 22 736 2671

Residence Hotels

CLARIDGE CHAMPS ELYSEES
High class rooms & suites.
Daily, weekly & monthly rates. Paris
Tel+33 (0)1-44133333. Fax(0)1-42250488

Escorts & Guides

BELGRAVIA
ORCHIDS
LONDON - EUROPE
THE FINEST & THE MOST SINCERE 18 - 36+ INTERNATIONAL BEAUTIFUL & ELEGANT SECRETARIES, AIR HOSTESSES & MODELS + AVAILABLE AS YOUR COMPANION 24 HOURS
Escort Agency Credit Cards Welcome
TEL: LONDON ++ 44 (0)
0171 589 5237

INTERNATIONAL ESCORTS
"Perfect Service" Deutsch Vogue.
"Best In New York" New York Mag.
World's First & Most Exclusive Service Models, Beauty Queens, Actresses Entertainers, Hostesses, Secretaries Multilingual Travel Companions
Also featured in international News Media & TV. Video tapes & Photos available for selection. Credit cards accepted.
Hdqtrs: 1-212-765-7896
office@intl-escorts.com
USA & WORLDWIDE

SWITZERLAND-GERMANY-BELGIUM
++31-20-427 28 27
Zurich-Geneva-Basel-Bern-Frankfurt-Mainz-Wiesbaden-Cologne-Bonn-Dusseldorf-Munich-Berlin-Brussels-Antwerp + Luxembourg
LONDON: (0)171-978 6606
COSMOS Escort Agency - Credit Cards

For Elite! Julia 0335.803 6953 all cards
MILAN * ROME * TOP ESCORT

YASMINE'S EXCLUSIVE TOP FASHION & GENUINE INT'L PHOTO MODELS
MODEL LINK
LONDON PARIS GENEVA
AND ALL MAJOR CITIES IN EUROPE, SEE YASMINE
WITH OUR FINE PORTFOLIO
++44 (0) 7000 822 822
ROYAL PLATINUM ESCORT SERVICE

VENUS IN FURS
24HR WORLDWIDE ESCORT SERVICE
LONDON 0171 362 7000
All cards. Advance bookings welcome

HIGH SOCIETY
Worldwide Executive Escort Service
HDQ ++44 (0) 7000 444476
info@high-society.net

Amsterdam JAN 69K ESCORTS. For He and She. Escorts since 1967. Tel: +31(0)20 639 2451/420 3927

PARIS
APOLLO ESCORTS
service@apollo-consultants.com
+8120-5788-221 / +318-54228-124

ARISTOCATS Escort Service
Beautiful Int'l Photo Models
3 Shouldham St., London W1
London Tel: 0171 258 0690

HEIDI'S HIGH SOCIETY*VIENNA*PARIS RIVIERA*ZURICH*GENF*MUNICH
International Escort & Travel
Vienna ++43/1/535 41 04 all credit cards

******** EUROCONTACT INT'L ********
Top local & travel service worldwide PARIS*STOCKHOLM*GENEVA*ZURICH RIVIERA*BRUSSELS*LONDON*VIENNA MILAN*ROME*all GERMANY & PRAGUE
Escort Service Vienna ++43-1-212 0431

CHELSEA ESCORT SERVICE
51 Beauchamp Place, London SW1
Tel: 0171-584 6513

FAR EASTERN 0850 521 074
Japanese, Asian, Korean, Caribbean, Thai, Chinese, Malaysian & Philippino
London Escort Agency

DO YOU LIVE IN HELSINKI?
For a hand-delivered subscription on the day of publication, call 00 33 1 4143 9361
THE WORLD'S DAILY NEWSPAPER

ANGELIQUE & FRIENDS
Simply The Best Escort Service
London 24 hrs 0171 586 0059

AMSTERDAM * DREAMS * ESCORTS and Dinner Date Service for Him or Her. Tel: +31 (0) 20-64 02 668 / 64 02 111

BEAUTIFUL BRUNETTE, Stunning figure, Feminine & Charming Private Escort Service. Tel London: 0956 139 996

BEVERLY ESCORTS
London's VIP Escort Service
Tel: 0171 821 5592 (24 hrs)

BLACK & WHITE MALE Executive Int'l Private Escort Service for Male & Female. London Tel: +44 (0) 171 284 1388

EXECUTIVE CLUB
LONDON ESCORT SERVICE
TEL: 0171 722 5008 Credit Cards

EMILY CULTURED Genuine English Beauty Private Escort Service. London Tel: 0181 6562218 or 0956 810250

GENEVA PRETTY WOMAN
Call 022 / 346 00 88 Escort Agency
Lausanne-Montreux- Basel-Zurich

* GENEVA * PARIS * COTE D'AZUR
GINGER Escort Service
Tel. 022 / 731 90 81

JULIETTE (Blond Glamour Model) Educated Discreet Escort Service VIP's only. Call 0956 545 922

KIRSTY Stunning. English Supermodel Private Escort Service. Heathrow & London Tel: 0171 835 0971 Credit cards

MILAN, ROME, FRANCE, SPAIN ... worldwide/Ski resorts Escort Service. Tel: +39 (0) 335 619 0438 Credit cards

SELINA Beautiful Australian Blond Friendly Private Escort Service. Kensington Tel: 0468 153 923

TWO'S COMPANY. First Class Private Escort Service for VIP's in London. Tel: 0171 499 4720 credit cards

* ZURICH * CAROLINE *
Escort Service
Tel: 077 790672

Herald Tribune INTERNATIONAL
THE WORLD'S DAILY NEWSPAPER

PLANNING TO RUN A CLASSIFIED AD?

Place your Ad quickly and easily, contact your nearest IHT office or representative with your text. You will be informed of the cost immediately, and once payment is made your ad will appear within 48 hours. All major Credit Cards Accepted.

EUROPE

PARIS: (HQ) 181 Ave. Charles-de-Gaulle, 92521 Neuilly Cedex. Tel.: (01) 41 43 93 85. Fax: (01) 41 43 93 70.

ANDORRA: Guido A. Benini - B.P. 279 Pf.Andorra La Vella. Principality of Andorra. Tel.: 867 813, Fax: 867 823.

GERMANY, AUSTRIA & CENTRAL EUROPE: Friedrichstrasse 15, D-60323 Frankfurt. Tel.: (069) 9712500. Fax: (069) 97125020.

BELGIUM-LUXEMBOURG: Marie de Bauhelaer, 57 rue J.B. Colyns, B-1050 Brussels. Tel.: (02) 344-3509, (02) 344-0117. Fax: (02) 346-0353.

GREECE & CYPRUS: Pamedia Athen SA, 32 Kifissias Ave., Atrina Centre, Building A' - GR 151 25 Maroussi, Athens, Greece. Tel.: +301/68 51 525. Fax: +301/68 53 357.

FINLAND: Eki-Matila, Oy Publicon AB, Fredrikinkatu 33B, SF-00120 Helsinki, Finland. Tel.: 358 9 608 828. Fax: 358 9 646 508.

ITALY: Gianni Soddu, Via Cassala, 6 Milano 20122 Italy. Tel.: (2) 58315738. Fax: (2) 546.2573.

NETHERLANDS: Dianne M. Biederberg, Buyskade 31 E, 1051 HT Amsterdam. Tel.: 31.20.6841080. Fax: 31.20.6881374.

NORWAY & DENMARK: Finn Isdahl, P.O. Box 115 5040 Paradis, Bergen, Norway. Tel.: (47) 55 913070. Fax: (47) 55 913072.

PORTUGAL: W. Bishop Lda. P.O. Box 1081, 2775 Parede, Lisbon, Portugal. Tel.: 351-1-457-7293. Fax: 351-1-457-7352.

EUROPE

SPAIN: Alfredo Urakaff Sarmiento, Alberto Alcocer 46dup. Office 11 - E, 28016 Madrid. Tel.: 4572858. Fax: 4586074.

SWITZERLAND: Marshall Walker, P.O. Box 511, 1009 Pully, Switzerland. Tel.: (021) 728 30 21. Fax: (021) 728 30 91.

TURKEY: Saba Sarol, Cumhuriyet Caddesi, 169/5, Babu Apt. Kat. 4, Elmadag 80200, Istanbul. Tel.: (90212) 230 5996/232 7150. Fax: (90212) 247 9315.

UNITED KINGDOM: 63 Long Acre, London, WC2E 9JH. Tel.: 0171 836 4802. Telex 262009. Fax: 240 0338.

MIDDLE EAST

BAHRAIN: Fenella Flanagan, P.O. Box 10787, Manama, Bahrain. Tel./Fax: 591734.

ISRAEL: Rony Kudinsky, Ha'Aretz Daily Newspaper, 21 Shocken Street, 60001 Tel Aviv. Tel.: (3) 5121120. Fax: (3) 6815859.

JORDAN: Farouk Zou'bi, P.O. Box 811738, Amman, Jordan. Tel.: 624430. Tlx: 22277 MKJO.

KUWAIT: Wendy Reid, c/o 63 Long Acre, London, WC2E 9JH. Tel.: 071 836 4802. Fax: 071 240 2254.

LEBANON, SYRIA: Roula Ajour, IHT, P.O. Box 11/99, Gates Building, 6th Floor, Gates Street, Beirut, Lebanon. Tel./Fax: (9611) 786564/786576.

OMAN: c/o Bahrain Tel./Fax: (973) 591734.

QATAR: Mr Farouk Yennaout, GULF GLOBAL GROUP P.O. Box 15407, Doha, Qatar. Tel. (974) 323290/323376/410129. Fax: (974) 428379.

SAUDI ARABIA: Contact London, 63 Long Acre, London WC2E 9JH. Tel.: 71 836 4802. Fax: 71 240 2254.

MIDDLE EAST

UNITED ARAB EMIRATES: Mr. Ravi Rao, P.O. Box 221 56, Sharjah, United Arab Emirates. Tel: (06)351133. Fax: (06)374888. Telex: 68484 TRNGLE.

REPUBLIC OF YEMEN: Contact London, 63 Long Acre, London WC2E 9JH. Tel.: 71 836 4802. Fax: 71 240 2254.

AFRICA

EGYPT: Leila Rostom, 10 Geziret El Arab Mohandessine, Cairo, Egypt. Tel.: 34 99 838. Tlx.: 21274 VIPCO UN. Fax: 3444 429.

SOUTHERN AFRICA

Tvicklin & Associates P.O. Box 4171, Rivonia 2128, Tel: (2711) 803.5892. Fax: (2711) 803.9509.

NORTH AMERICA

NEW YORK: 850 Third Ave., 10th fl, New York, N.Y. 10022. Tel.: (212) 752-3890. Toll free: (800) 572-7212. Fax: 212-755-8785.

TEXAS: Pepper Murphy, 801 Country Place Drive, #82, Houston Tx 77079 Tel.: 281-496-9603. Fax: 281-496-9584. Toll Free: 800-526-7857.

LATIN AMERICA

ARGENTINA: Magdalena Bonta, International Herald Tribune Av. Cnel. Diaz 2639 - 14A 1425 Buenos Aires, Argentina. Direct Tel.: # 541 806 6644 Tel./Fax: 541 802 3704.

BOLIVIA: Miguel O. Zeballos Bishop, Zeta & P. Editores, Avenida Ejército Nacional 314, Santa Cruz. Tel.: (591-3) 53 99 00 Fax: (591-3) 53 99 90.

BRAZIL: Freddy Bilyk, Brazmedia Int'l. Al.Gabriel Monteiro Da Silva, 366, 01445-900 Sao Paulo, SP, Brazil. Tel.: (5511) 853 4133. Fax: (5511) 852 6485.

LATIN AMERICA

CHILE: Manuel Achurra, Huérfanos 863, Piso 9 Casilla 2508, Santiago de Chile. Tel.: (562) 632 7937. Fax: (562) 632 0126.

ECUADOR: Luigi Lanterna, Lanterna y Asociados, Junin #105 Y Malecon 7MO. Piso Guayaquil, Ecuador. Tel.: (593) 468 9000. Fax: (593) 468 9149.

PERU: Fernando Saavedra, Alvarez Calderon 155, Piso 2, San Isidro, Lima-27, Peru. Tel.: (511) 442 8840. Tlx: 20469 GYDSA. Fax: (511) 441 6422.

ASIA/PACIFIC

HONG KONG: Malaysia Bldg., 7th Floor, 50 Gloucester Road, Hong Kong. Tel.: (852) 2922-1188. Tlx: 61170 IHTHX. Fax: (852) 2922-1190.

INDIA: Roney D. Mistry, Ronny Mistry Advertising Associates, 2388 Vijaydeep, Gandhi Nagar, Bandra (E), Bombay 400 051. Tel.: 645 0204, Fax: 645 6372. Tlx: 1185171/2716 ADL.

INDONESIA: Ms Yeny Purnamowati, Pacific Intermedia, 16th fl., Arthaloka Building, Jalan Jend Sudirman No. 2, Jakarta Pusat. Tel.: 62-21-251 1484/1445 Tlx: 65722 LOKA IA. Fax.: 62-21-251 2501.

JAPAN: Mamoyo Inaida, International Herald Tribune Advertising Office-Japan- 1F Mainaichi Newspapers 1-1-1, Hitotsubashi, Chiyoda-Ku Tokyo, Japan 100. Tel.: 32 01 02 10. Tlx: J33673. Fax: 32 01 02 09.

KOREA: K. Heinz Kim Heinz Communications Inc. Room 816, Poonglim VIP Officetel 404, Gangdeok-dong, Mapo-ku Seoul 121-020, Korea Tel.: 718 3281/3282. Fax: 718 3283.

ASIA/PACIFIC

MALAYSIA: Andrew MacArthur c/o Ulusan Malaya (M) Bhd. Tingkat 7, Menara PGRM, No. 8 Jalan Pudu, Cheras Kuala Lumpur 56100 Tel.: (603) 981 2814. Fax: (603) 982 7751.

NEPAL: Bheesa Tiwisima, Media South Asia (P) Ltd., Lazimpat-2, Samina House, P.O. Box 8976, Kathmandu, Nepal. Tel.: (977-1) 420 848 Fax: (977-1) 421 179.

PAKISTAN: Arif Salahuddin INS Media Sales (PVT) Ltd. 414 Panorama Centre Fatima Jinnah Road Karachi 75530, Pakistan. Tel.: 567 3628/6901 Fax: 568 3933.

PHILIPPINES: Ms Bing R. Granda Asia Pacific Executive APEX Business Center Inc. Suite 910W, Philippine Stock Exchange Bldg., P.O. Box 12234, Ortigas Center, Pasig City, 1605 Philippines Tel.: (632) 637-3211 Fax: (632) 633-0751.

SINGAPORE, BRUNEI: 88 Club Street, Singapore 069456. Tel.: (65) 2236478. Tlx.: 28749. IHT SIN. Fax: 325 0841.

TAIWAN: Mr. Louis Huang Lewis International Media Services, Floor 11-14, No. 46, Sec. 2, Tun Hwa South Road, Taipei, Taiwan R.O.C. Tel.: (886-2) 707 5519 / 708 7727. Fax: (886-2) 709 8348.

THAILAND, BURMA: Yvan Van Ouvrie, Immediate Media Ltd., Room 7-D, 7th fl., Vanissa Building, 29 Soi Chidlom, Ploenchit Road, Phatumwan, Bangkok 10330. Tel.: 267-9164, 267-9165. Fax: 267-9166.

AUSTRALIA

MELBOURNE: Brendan Gullifer Hawe & Gullifer Pty. Ltd. P.O. Box 18044, 45 Collins Street Melbourne 8003, Australia Tel.: 9650 1100. Fax.: 9650 6611.

هكذا من الأهل

INTERNATIONAL

UN Leader Wins Fight For Deputy

New Post Will Complete Annan's Shake-Up at Top

By Barbara Crossette
New York Times Service

UNITED NATIONS, New York — Secretary-General Kofi Annan won a major round in his campaign to bring a new management style to the United Nations when the General Assembly agreed to create the position of deputy secretary-general.

Officials described the job as the "finishing touch" on a new system Mr. Annan had introduced in the upper reaches of the organization.

A cabinet-style management team has already replaced a chain of command under which dozens of autonomous officials all reported directly to Mr. Annan.

The deputy secretary-general, whose term will coincide with the secretary-general's, will have the power to fill in for him in his absence and will also oversee UN programs in economic and social affairs, areas where there has been considerable duplication of effort.

Diplomats say that a leading contender for the job is Louise Frechette, Canada's deputy minister of national defense, who served as representative to the United Nations from 1992 to 1994.

Mr. Annan won approval of the position with a minimum of dispute in the 185-member General Assembly.

"People don't like saying no to the secretary-general," a UN official said. The new post and other measures approved by the Assembly on Friday are not related to reforms demanded by the U.S. Congress.

The naming of a deputy secretary-general will be one of several appointments the secretary-general will make in the coming weeks.

Apparently bowing to pressure from the Third World, the United Nations has decided to nominate someone from a developing nation to replace a German woman it had named to help decide how to spend Ted Turner's $1 billion gift. The case sheds light on the way UN jobs are often apportioned for political or geographical reasons.

On Nov. 19, officials said that Angela Kane, a career official who has been in charge of publications, the library and the organization's computerized information systems, which she largely created, would be the United Nations' liaison to the foundation set up by Mr. Turner.

Officials now say that Ms. Kane, who has been doing the job for more than a month, has been told that her appointment was only temporary. Mr. Annan is expected to replace her as early as next week. A candidate from Latin America is likely to be appointed.

Mr. Turner's United Nations Foundation named as its director Timothy Wirth, a former senator from Colorado, who is the Clinton administration's undersecretary of state for global affairs.

Envoys said that developing nations have convinced the secretary-general's advisers that since much of the Turner money will go into programs for economic development, environmental protection and poverty reduction, the job required someone with experience in those areas, preferably with a Third World background.

Ms. Kane will return to a job in the information department, officials said.

Mr. Annan will also be appointing an undersecretary-general for disarmament, a job already approved in principle but awaiting final budgetary action. The leading candidate is Jayantha Dhanapala, a Sri Lankan arms-control expert.

A third appointment is expected to be an undersecretary-general for communications.

Irish President's Ecumenical Gesture Stirs Religious Furor

By James F. Clarity
New York Times Service

DUBLIN — Mary McAleese, elected president of Ireland in October after promising to "build bridges" to help end sectarian conflict, has set off a religious furor in the overwhelmingly Roman Catholic Irish Republic and in the Protestant-dominated British province of Northern Ireland.

The issue erupted after the new president, who describes herself as a devout Catholic, surprised the country Dec. 7 by receiving Communion at a Protestant service here. She said that she felt comfortable with her action at Christ Church, a cathedral of the Church of Ireland, which is part of the Anglican Communion, explaining that it was intended to improve Catholic-Protestant relations.

Her action was Page 1 news here and in Northern Ireland, where Mrs. McAleese was born and lived most of her life before her election as president. But no one seemed particularly upset until last week, as members of the clergy and several theologians began to speak out in protest.

A Catholic, She Took Communion in a Protestant Cathedral

A prominent Catholic priest in Northern Ireland noted that Mrs. McAleese had violated church law by receiving Communion in a Protestant service. A Catholic archbishop agreed.

In response, the Protestant primate of Ireland, Dr. Robin Eames, lashed out at the Catholics, saying their protests were derogatory.

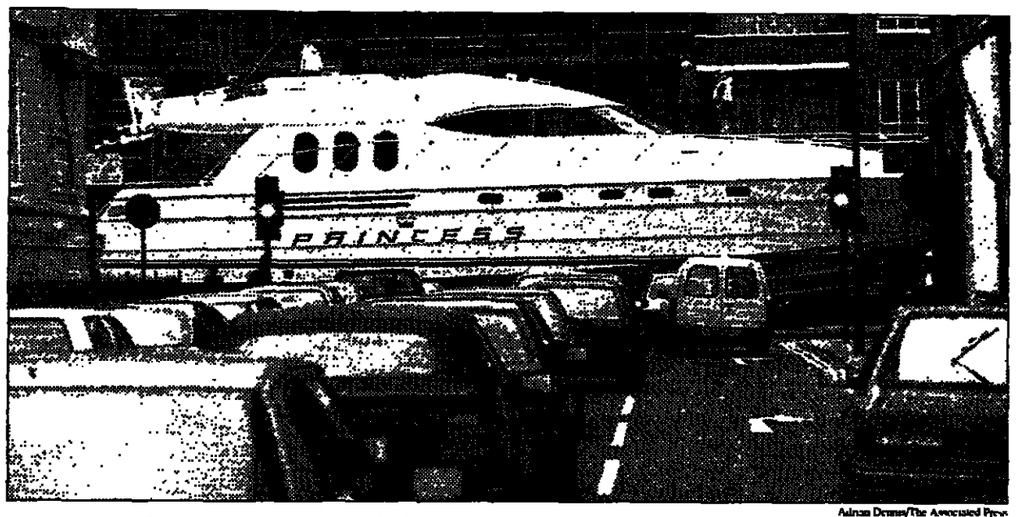
The papal nuncio in Dublin was reported to have informed the Vatican of the affair. Scores of people, many of them citing God as their witness, called their opinions in to radio talk shows and wrote righteous letters to newspapers.

Mrs. McAleese has had no more to say. But the uproar underlined the importance of religious belief in Ireland, and the intolerance that persists between many Catholics and Protestants.

Ecumenism has made little progress in the republic, and probably even less in Northern Ireland. In Northern Ireland, most officials pay lip service to nondenominational schools. The idea is that if Catholic and Protestant children get to know each other, there will be less impetus for sectarian warfare. But both the Catholic and Protestant clergy in Northern Ireland oppose mixed schools.

The attitude of many Irish other than the theologians and clergy, however, seemed reflected by Mary Holland in a column in The Irish Times, when she quoted St. Paul — "Though I speak with the tongues of men and of angels, and have not charity, I am become as sounding brass."

"What more challenging message could there be for the bishops and the rest of us poor struggling mortals at the start of the Christmas week?" she asked.



Adrian Dennis/The Associated Press

AUTOS AHOY! — A luxury motor yacht blocking traffic in London on Sunday. The yacht took an hour to travel from the Thames to the exhibition center at Earls Court, where a boat show is to be held from Jan. 8 to 16.

Barry Brook, Musicologist And Educator, Is Dead at 79

New York Times Service

NEW YORK — Barry S. Brook, 79, a renowned musicologist who established and led doctoral programs in music in New York and Paris, died Dec. 7 at Memorial Sloan-Kettering Cancer Center.

He was a pioneer in the field of musical iconography and a leading scholar of 18th-century music and esthetics. In 1963 his seminal study, "The French Symphony in the Second Half of the 18th Century," was published in France.

In 1966 he established at City University of New York, where he was teaching, the first international bibliography of scholarly writings on music, called RILM (Repertoire International de Literature Musical). This ongoing archive was a model for other disciplines and has remained a leading resource for scholars.

He founded a doctoral program in music at CUNY in 1967 and taught there until he retired in 1989. In 1977 he began the doctoral program at the Juilliard School, and in 1983 he created a doctoral program in musicology at the Ecole Normale Superieure in Paris.

During World War II he was a U.S. Air Force captain and lead navigator, and won the Distinguished Flying Cross. He began his teaching career at Queens College in 1945, but often worked and lived in Paris.

Franco Di Bella, Former Editor Of Milan's Corriere della Sera

MILAN (AP) — Franco Di Bella, 70, the editor of the daily Corriere della Sera from 1977 to 1981, when his name was implicated in a scandal involving a secret lodge, died Saturday in a Milan clinic.

Mr. Di Bella joined Corriere della Sera in 1952 and rose through various editing positions. He left to head Il Resto del Carlino of Bologna, but after 10 months returned in 1977 to Corriere to take the top post.

Mr. Di Bella resigned after his name was among scores on the list of alleged members of Propaganda-Due (P-2), an illegal, secret lodge being investigated by the government.

Dawn Steel, Headed Studios

LOS ANGELES (AP) — Dawn Steel, 51, the first woman to head a major Hollywood studio and produced blockbusters such as "Top Gun," "Fatal Attraction" and "When Harry Met Sally," died Saturday of a brain tumor.

Ms. Steel's campaign for "Star Trek: The Motion Picture" led to promotion as vice president of production at Paramount. By 1985, she headed Paramount's production, and in 1987 she was named president of Columbia Pictures. Later she formed her own production company, Atlas Entertainment, with her husband, Charles Roven.

ITAMI: *Japanese Filmmaker Commits Suicide After Denying Media Reports of Scandal*

Continued from Page 1

defended his magazine, saying, "We talked directly with Mr. Itami, and we included his side. We are convinced that what is being reported is true and our coverage is within normal practices. If that was the cause of his suicide, we deeply regret it."

The death is a huge loss for Japan and for the film world. No one could make the sacred cows stampede like Mr. Itami, who made a career out of poking fun at those whom few other Japanese dared criticize, from Buddhist monks to Japan's yakuza gangsters.

Mr. Itami was regarded as one of the most powerful Japanese filmmakers of his generation, the heir of the legendary Akira Kurosawa. He used slapstick comedy and wickedly acid satire to lay open the layers of modern Japanese life, from the way the country collects its taxes to the way it eats noodles, buys groceries, treats its sick or buries its dead.

For many tradition-bound Japanese, Mr. Itami's films said the things they wouldn't dream of saying, and challenged the powerful with a bluntness they could never muster. For others, his work revealed truths they never knew existed — even though they were right there in their daily life.

"He could express the inside story about things people think they understand, but really don't," said the critic Jun Ishiko. "He was a rare talent."

Mr. Itami was probably best known for his 1986 hit "Tampopo," which was hailed as the first "noodle western." The film centers around a truck driver who helps a struggling noodle-shop proprietor turn her business around. In the process, the film helps explain the central role of food and cooking in Japanese life.

But it was his directorial debut in 1984, with "The Funeral," that served notice that no one was safe from his wit. The film spoofed Japanese funerals and, in particular, the Buddhist monks who make a fortune in funeral fees every time someone dies here.

The film won a slew of Japanese film awards and audiences went wild for a kind of satire seldom seen before in this staid, respect-your-betters society. Only the monks were unamused.

In a perverse compliment to the power of Mr. Itami's work, five gangsters attacked him on the street in 1992 shortly after the release of his film, "Minbo no Onna," or, "The Gentle Art of Japanese Extortion." The film showed the yakuza as buffoons and bullies, not as the modern-day samurai they fancy themselves. The knife attack left him badly disfigured, with long scars on his face and neck.

Instead of backing off controversial subjects, Mr. Itami, who wrote, directed and produced most of his films, turned the attack into fodder for his filmmaking. Earlier this year, he released his 10th film, about a woman who witnesses a murder and is threatened by members of a cult that committed the crime. The film is loosely based on the Aum Supreme Truth cult, responsible for the 1995 attack on the Tokyo subway system that killed 12 people and injured 5,500 others.

During the weekend, reporters from Japan's daily "sports newspapers," this country's version of the tabloids, got wind of the upcoming Flash story. Reporters from those papers began calling him, and two of them carried Sunday morning stories that the magazine was going to hit the newsstands Monday with its story. Both quoted him as saying he would respond to the allegations on Monday.

Mr. Itami, the son of a well-known film director, Manasku Itami, began his career as an actor. In the 1960s, he starred in a popular television adaptation of the Japanese court novel, "The Tale of the Genji."

As a director, he is said to have remarked: "I don't want to make difficult movies. I want to make interesting movies about difficult subjects." Mr. Itami, whose younger sister is married to the Nobel laureate Kenzaburo Oe, did just that in a film called, "The Quiet Life," based on Mr. Oe's writings about his disabled son. But mainly, he stuck to comedies about modern life in his native land.

ASIA: *Crisis of Confidence*

Continued from Page 1

nancial system and inevitable austerity policies will continue to depress sentiment, political uncertainty and labor tensions present potential risk factors that could sharply exacerbate the situation," said a UBS economist, Christa Marti.

Since the financial turmoil started to sweep through East Asia in July, the International Monetary Fund has had to put together multibillion-dollar loan guarantee packages to support Thailand, Indonesia and South Korea.

The prospect of sharply lower growth and rising bankruptcies and unemployment has unnerved currency and stock markets in Southeast Asia.

Foreign investors have withdrawn large amounts of money and banks have become increasingly wary of making new credit available or extending existing loans. Continuing falls in the value of many Southeast Asian currencies against the dollar have made investors even more reluctant to risk their money.

Institutional investors have a bleak outlook for Asian markets in the coming year, recommending high cash positions and warning of further currency turbulence, Reuters reported from Hong Kong on Sunday.

"It's pretty gloomy," said Robert Rountree, strategist at Nomura Research Institute in Hong Kong. "We're still advising people to hold cash and we don't expect to change that view for six months."

Another strategist quoted in a Reuters survey said that Asian economies would be forced either to restructure immediately or to face economic collapse.

"Credit is going to be contracting at a remarkable pace and currency volatility is unlikely to subside," the strategist added.

"Even though our fund managers have focused on good-quality companies with good cash flow and sound management, the prices of stocks across the board have been slashed in the routs of the past few months," Jardine Fleming Unit Trusts said in a weekend report. "Even good stock investment will be adversely affected by currency losses."

But Jardine Fleming said that one bright side of the crisis was that governments had been forced to face up to their problems and now seemed to be prepared to tackle them.

"Those countries that have accepted IMF rescue packages — Thailand, Indonesia and Korea — will have to swallow some bitter medicine over the next few years, but should emerge the better for it," Jardine Fleming said.

In its report Saturday, the IMF said that economic growth in countries hard hit by the Asian crisis would start to pick up in 1999.

"These economies have the potential to regain the confidence of investors at home and abroad," it said. "As confidence returns, growth can also be expected to recover."

POUND: *Britain's 1976 Crisis Holds Lessons for Asia Politicians*

Continued from Page 1

time. Denis Healey, then chancellor of the Exchequer in Britain's Labour government, sought to stop the rot by cutting spending and increasing taxes in July, but the effort failed. In late September, after a one-day fall of 4 percent in the pound, Mr. Healey abruptly turned around at London's Heathrow airport, abandoning plans to attend a Commonwealth conference in Asia in order to return to his office to ride out the crisis. The next day he unveiled plans to seek $3.9 billion from the IMF.

In return for the money, Britain agreed to make further spending cuts and, for the first time, to restrain the growth of credit and the money supply. The IMF agreement marked an historical shift away from the postwar strategy of using government spending to stimulate demand and growth, advocated by John Maynard Keynes, the economist, in favor of monetarist policies aimed at fostering long-term growth by controlling inflation and government spending.

"We used to think that you could just spend your way out of a recession," the prime minister of the day, James Callaghan, told the Labour Party's annual conference at the height of the crisis. "I tell you, in all candor, that that option no longer exists."

The new policies worked quickly, in part because the forecasts of worsening deficits proved too pessimistic. Within one year, Britain beat its IMF budget deficit target, the current account was back in the black and the government was trying to restrain the pound's rise.

By contrast, the political effects of the crisis were long-lasting. Labour was driven from office in the 1979 election that ushered Mrs. Thatcher to power. She used the memory of the crisis to build a consensus for policies geared toward low inflation, free trade and reducing the role of the state in the economy, a consensus that Tony Blair accepted in leading Labour back to power in May.

"It enabled Thatcher to say, quite rightly, that the whole period of Keynesian demand management had led to this crisis," said Gavyn Davies, the chief economist at Goldman Sachs International who was Mr. Callaghan's economic adviser at the time. "Even until the 1997 election, the Tories said, 'You elect Labour, you'll get the IMF back.'"

Correcting South Korea's problems could prove much more difficult. The crisis of confidence doesn't stem from the government budget, which happens to be in surplus, but from excessive foreign borrowing and domestic lending by the nation's banks. The traditional austerity measures demanded by the IMF could even make the problem worse, not better, Mr. Davies said.

But just as Britain found in the 1970s, South Korea is unlikely to escape the disciplines demanded by the global market given the country's desperate need for financing.

"If markets give them the thumbs down, they have to do something," Mr. Britton said.

MINE: *There's Gold in Them Thar Waves*

Continued from Page 1

Now Nautilus Minerals Corp., a Papua New Guinea company run by Australian businessmen and working with Australian government scientists, has been granted title to 1,974 square miles of the Bismarck Sea in the territorial waters of Papua New Guinea, a tropical archipelago of the South Pacific.

If the region's deep hot springs turn out to be as rich and widespread as surveys and samples indicate, the company plans to start taking preliminary hauls of 10,000 tons (9,700 metric tons) each in the next two years and large commercial loads in the next five years.

"I see hundreds of millions of dollars worth of metal in the immediate future," said Julian Malnic, the company's chief executive, who works in Sydney, where Nautilus has an Australian office. "And it won't take us very long to get into the billions."

A key question is whether potential earnings can cover the high cost of raising the metals.

The miners point to the general opening of the deep by advanced technologies — including robots, sonars and giant claws lowered from ships — and say that profitability for investors is likely.

Deep mining, they add, will eventually go global.

"It's inevitable," said A. Geoff Loudon, the company's chairman, who lives in London.

"This is an industry that's going to turn conventional on-shore mining into a dinosaur," he asserted in an interview. "The world's big companies are going to get with this or disappear."

He noted how the petroleum industry started on land and increasingly is moving into deep waters, spawning tons of new gear that seabed miners can exploit.

Mr. Loudon represents substantial money and expertise. In 1983, he organized a team that probed the Lihir isle of Papua New Guinea and discovered a rich gold deposit. Today, an open-pit mine on Lihir is fast becoming one of the world's top gold producers.

Analysts unconnected to the New Guinea venture are divided on its merits, with ocean experts tending to be excited and environmentalists wary.

Ecologists see the claim as an assault on a poorly explored region of natural wonders and some argue that protective steps are vital, while others would ban sea mining. The deep volcanic hot springs fascinate many biologists because they teem with blind shrimp, giant tube worms and other unfamiliar creatures, sometimes in densities that rival the life in rain forests.

'If you found this deposit on dry land, you'd call these bonanza figures.'

The hot springs are also important in evolutionary studies and are increasingly seen as the possible birthplace of all life on Earth.

"Great care should be taken," Dr. Sylvia Earle, a prominent marine biologist and former chief scientist of the National Oceanic and Atmospheric Administration, said of the New Guinea venture.

"Some significant area should be designated as a no-take zone, so you have insight into the ways things were before the mining began."

EMU: *Officially, No Problems; Unofficially, Challenges Arise*

Continued from Page 1

to the constitutional court, and in France the Communist Party, sensing that it can seize terrain previously legitimized, but now abandoned, by the Socialists and Gaullists.

The complaint in Germany, being offered to the high court for consideration, deals essentially with measuring Europe's adherence to the Maastricht treaty to date, and conditions laid down by the court in 1993 in a decision on the treaty's legality. The suit's theoretical underpinning is the contention that the EMU is incoherent and unworkable, and that putting it into practice will condemn its members to economic asphyxiation.

In its 1993 decision, the constitutional court held notably that Maastricht convergence criteria, meant to bring the participants to low deficit and debt levels, must be strictly observed and that fulfillment of Maastricht criteria, to create price stability, has priority over the EMU's 1999 start date. The strength of the case emerges because there is obvious widespread failure among the candidate countries, Germany included, to reach the goals of budget deficits of 3 percent of gross national product and of public debt of less than 60 percent of GNP. The conclusion follows, according to the petitioners' argument, that price stability cannot be guaranteed, and that it has been subordinated, contrary to the court's direction, to the 1999 deadline.

One of the men pushing the complaint is Wilhelm Noelling, a former member of the Bundesbank's central council and a former Social Democratic senator from Hamburg, who says that beyond the legal arguments, "We don't think the EMU will function at all. It's institutionally unbalanced. You establish a supra-national bank, but you have the environment in which it operates determined by national sovereign states. You can't apply a single administrative interest rate — it doesn't fit the very varied landscapes. It won't work."

"There's a central discrepancy," Mr. Noelling insisted. "The European Central Bank can only establish its credibility with a very restrictive policy concerning price stability, its single task. If it does that, considering the current economic realities, it will become so restrictive as to smother growth and make Europe suffocate. If the bank does not establish itself as restrictive, it will be a political football in no time."

'We don't think the EMU will function at all. It's unbalanced.'

Mr. Noelling's view is that he and his associates have a 50-50 chance of success in court. For Ulrich Schroeder, a senior economist at Deutsche Bank in Frankfurt, "they may have a case before the court of public opinion, but not in Karlsruhe," the city where the constitutional court is situated. An acknowledgment that there was an element of risk in the case for the EMU is contained, however, in a current report by the Frankfurt branch of Merrill Lynch. But it added, "Ultimately, we do not think that any German institution will dare to singlehandedly torpedo the most ambitious project in European integration since the Common Market was founded in 1958."

In France, there are several levels of political calculation in the Communist Party's plan to stage nationwide demonstrations Jan. 18 calling for a referendum on the EMU. Although French public opinion, unlike that in Germany, clearly approves of monetary union in most polls, the Communists have chosen to occupy a field left largely vacant by political parties with exception of the extreme right.

With Mr. Jospin having accepted the German position on the continuation of tight control over deficits after 1999 and President Jacques Chirac having reversed a statement made in 1994 that he was in favor of another EMU referendum, the Communists seem to feel that there is considerable potential profit for them in denouncing "the exorbitant power given the European central bank" and insisting on the EMU's inadequacy to respond to the needs for jobs and "social development."

A spokesman for the party said it had collected 700,000 signatures on petitions calling for a referendum early in the year and would have reached 1 million had its efforts not been turned away by Mr. Chirac's dissolution of the National Assembly and the subsequent legislative election campaign. Only the president can order a referendum in France, and the party said it would press Mr. Chirac to explain why, once in power, he had changed his mind.

The effort also fits into the Communists' efforts to recast themselves as the country's only consistent representatives of social justice, critical of a new Europe in which vital decisions will be made by unelected central bankers, but a party open now to debate and loyal to the democratic process. Whatever the outcome, the spokesman suggested, credit would come to the Communists for keeping alive discussion of the EMU and its potential impact when others preferred to leave it as a fragile fait accompli.

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The Right Man in Seoul?

You could write the latest South Korean election as a fairy tale: Once upon a time there was an evil ruler who oppressed his people, and a brave man who resisted him. The ruler tried to kill the brave man, and threw him in prison, but the people rose up, put the evil ruler in jail, acclaimed the brave man as ruler and lived happily ever after.

You could write it that way, and you would be partly right. Kim Dae Jung's passage from dissident to president-elect, and former General Chun Doo Hwan's fall from leader to inmate (on charges of corruption and brutal suppression of a civilian uprising), represent breathtaking reversals of fate. Even more breathtaking is the transformation that the Korean people themselves have wrought, reshaping by sheer force of will — and in a span of only 10 years — a military dictatorship into a democracy in which an opposition candidate, once reviled by military and security forces, can assume power without prompting the slightest whisper of a coup.

But living happily ever after remains a question, especially in the minds of many South Koreans, who voted last Thursday in a mood of extreme distress. After three decades of spectacular growth, which carried it from base poverty to advanced-nation status, South Korea is in a financial crisis. Richer nations have had to come to the rescue, unemployment is rising and standards of living are certain to dip in the coming year or two.

Is Mr. Kim the right man to find a way out of crisis? He comes to office with his fair share of handicaps. He is a minority president, elected with about 40 percent of the vote. Whereas in the previous two elections the opposition was divided, this time the opposition united, and two establishment candidates ran, allowing Mr. Kim to slip through. His party holds a minority place in the National Assembly, too.

He promised in the course of the election campaign that he would serve only three years of his five-year term as he promoted a constitutional amendment replacing South Korea's strong presidency with a parliamentary form of government.

Perhaps most debilitating, Mr. Kim has always been a regional candidate. He won 95 percent of the vote in his home region, where people have always felt excluded from power and from the benefits of economic growth. In the region that produced South Korea's previous leaders, Mr. Kim won as little as 11 percent of the vote.

Many Koreans remain deeply suspicious of Mr. Kim. Regionalism is one reason, but years of military propaganda that portrayed him, unfairly, as soft on the Communist North also play a part. So, too, do criticisms of him as autocratic within his own party, as tainted by the money politics of the past, as too quick to resort to populism and as simply too familiar — at 72, he has been around for as long as most Koreans can remember.

But Mr. Kim is also respected for his long years of uncompromising resistance, and for his indefatigable quest for the presidency. Now he has won the prize at a most difficult time, but the crisis is one for which he may be the best prepared of Korea's potential leaders. He enjoys the trust of labor unions, whose cooperation will be essential in the coming restructuring. His immediate offer of talks with North Korea's leader, although unlikely to produce a quick breakthrough, indicates a willingness to take chances and discard outdated patterns. And the president-elect has long championed small business and railed against the giant conglomerates that almost everyone now views as part of South Korea's problem. In that sense, perhaps he will prove to be a man whose time has come.

— THE WASHINGTON POST.

Mandela and After

With an uncharacteristically militant valedictory speech, South Africa's president, Nelson Mandela, who is 79, has marked the beginning of the end of his era. He gave up the presidency of the African National Congress and said his leadership of the nation was now largely ceremonial. His successor in the ANC, and South Africa's likely next president in 1999, is Thabo Mbeki, who as deputy president has been handling most governing duties. Mr. Mandela's speech last Tuesday, while alarming in tone, expressed grievances that are splitting the ANC and could explode nationwide if not addressed by Mr. Mbeki.

The four-hour speech accused officials of the apartheid government, the media and opposition parties of various attempts to subvert ANC rule by promoting crime and ruining the economy. The address, which is thought to reflect Mr. Mbeki's views, shows that neither man is immune to the political disease of confusing critics with enemies. But Mr. Mbeki later said the speech had not been intended as a political program. It should be taken as an expression of frustration, an understandable one given the defiance of many whites at any reduction of their still considerable privileges.

The speech might also have been designed to co-opt the anger and frustration of critics of the government within the ANC and among its traditional allies, thus relieving pressure on Mr. Mbeki to change his pro-business policies. While the ANC's electoral platform in 1994 pledged to make job creation its top priority, an economic program introduced last year emphasized cutting inflation and attracting foreign investment.

The economy has grown slowly and steadily for five years, but the poor have not seen the benefits. Last year it grew by 3 percent, but unemployment is at 40 percent. The government is providing electricity and fresh-water taps, but it has been slower to build houses and improve health. To keep up with population increases, South Africa must grow by an unrealistic 6 percent a year, which dooms any strategy that counts on growth alone to lift the poor.

The affection of poor South Africans for Mr. Mandela has so far sustained their patience. People respect the erudite Mr. Mbeki, but he is not beloved. The danger exists that he would respond to new pressure from the poor with coercion or demagoguery. He has not shown this inclination, and Mr. Mandela has done his country the important service of encouraging democratic institutions, such as an independent press and judiciary, that will deter future presidents from abusing their powers. As long as Mr. Mbeki respects the rights of all his people, tackling poverty more directly would help South Africa's long-term stability.

— THE NEW YORK TIMES.

Other Comment

The IMF Isn't Infallible

When a financial system hits the wall, political and financial leaders who had looked the other way suddenly find themselves brought to book. Not so, alas, with international lending agencies. In Thailand, where today's troubles began, the crisis traces itself to a banking sector where almost one out of every five loans is nonperforming. Yet the IMF's own record is not much better. According to a study by the Washington-based Heritage Foundation, of the 89 developing countries that have received the Fund's help since 1965, more than half are no better off than they were before — and 32 are actually worse off.

This is not to say that everything pushed by the IMF is wrong; in the case of South Korea, for example, the Fund is right to insist that bad banks not be kept afloat. [But] not every Asian objection to the Fund's advice rests on hidebound economic nationalism.

In the last few weeks the Fund's chief has pulled more than $100 billion out of his bag for the region's affected economies, with no noticeable improvement in confidence. The seller's market the region enjoyed this past decade effectively meant there was no pressure to reform the top-down economic structures so beloved of Asia's political and business elites. Now that the market has decided to separate the wheat from the chaff, is it rude to ask whether anyone really believes the IMF can do it better?

— Far Eastern Economic Review (Hong Kong).

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST
ESTABLISHED 1887
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen
KATHARINE P. DARROW, Vice Chairman
RICHARD McCLEAN, Publisher & Chief Executive
MICHAEL GETLER, Executive Editor
• WALTER WELLS, Managing Editor • PAUL HORVITZ, Deputy Managing Editor
• KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors • SAMUEL ABT and CARL GEWIRTZ, Associate Editors • ROBERT J. DONAHUE, Editor of the Editorial Pages
• JONATHAN GAGE, Business and Finance Editor
• RENÉ BONDY, Deputy Publisher
• JAMES McLEOD, Advertising Director • DIDIER BRUN, Circulation Director.
Directeur de la Publication: Richard McClean

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel.: (1) 41.43.93.00. Fax: Subscriptions, (1) 41.43.92.10; Advertising, (1) 41.43.92.12; News, (1) 41.43.93.38.
Internet address: http://www.iht.com E-Mail: iht@iht.com
Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 119800 Tel. (65) 472-7768. Fax: (65) 274-2134
Mng. Dir. Asia, Terre Dumer, 50 Gloucester Rd., Hong Kong Tel. 852-2922-1188. Fax: 852-2922-1190
Gen. Mgr Germany: T. Schlüter, Friedrichstr. 15, 60323 Frankfurt/M Tel +49 69971250-0. Fax: +49 69971250-30
Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785
U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254
S.A.S. au capital de 1 200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337
©1997, International Herald Tribune All rights reserved. ISSN 0294-8052.

Wishful Thinking Disguised as a Russia Policy

By Jim Hoagland

WASHINGTON — The year ends where it began, with the Clinton administration hoping against hope that an ailing Boris Yeltsin will recover and ride herd over an increasingly troubled U.S.-Russian relationship.

Bill Clinton's Russia policy, which began with bold strokes and strategic vision of an active partnership, has dwindled into wishful thinking about Mr. Yeltsin's hospital charts and what the Russian president will do when he recovers from his latest emergency hospitalization for a "cold."

On Iraq, NATO expansion, the leakage of Russian technology to Iran's missile program and other sensitive matters, President Clinton has had to appeal directly to Mr. Yeltsin during the past 12 months to sidetrack challenges from Moscow to American interests and goals in foreign policy.

It has largely worked, although the administration says it is not satisfied on the Iran missile problem. When push comes to shove, Mr. Yeltsin seems ready to order his ministers to do what Mr. Clinton seeks.

Administration officials say the Russian leader is responsive when he is forced to choose between bucking America and keeping the Western financial aid that cooperation with the United States unlocks.

A relationship between the world's two greatest nuclear powers that is driven by mild diplomatic coercion from Washington is a sorry substitute for the ambitious partnership that Mr. Yeltsin's commitment to integrating Russia into the West originally inspired.

Worse, it will not work for very long. The coming year is a time when the Clinton administration should broaden its approach to Russia, whatever the state of President Yeltsin's health.

The dangers of strategic dependence on a single mortal are obvious and much discussed within and outside the administration, which seems to have no clear picture of who or what would follow an abrupt departure from power by Mr. Yeltsin.

Less discussed but just as important are the illusions about Russia that dependence on Mr. Yeltsin creates in Washington. For the White House and the State Department, he seems to occupy the position of the czar in the old Russian adage: "If only the czar knew. He would not allow it."

This has been another Moscow year of false starts and abrupt stops on deep fiscal reform, of sudden retreats on fighting corruption and correcting the errors of a privatization program that strip-mined Russian industry for the benefit of a privileged few. It is now hard to believe that this situation is accidental or due largely to Mr. Yeltsin's lack of knowledge or interest in economic matters.

He continues to shuffle reformist and status quo governing teams, inspiring lurches of change that are stymied when vested interests feel threatened. The West, through the International Monetary Fund, responds by halting loans for a while to squeeze Moscow on tax collection and other fiscal priorities.

But the fund resumes the loans when Mr. Yeltsin's position seems to grow shaky. It is about to pony up another $700 million payment to Moscow pretty much on that basis.

Who is coercing whom? Mr. Yeltsin needs the aid. But Mr. Clinton needs Mr. Yeltsin to have a semblance of a Russia policy. Important originally as a detonator of change, Mr. Yeltsin has now become a symbol of an illusory stability created at the top. He must be supported. His inability to pursue genuine, root-and-branch reform for more than six months at a time must be overlooked and even financed from abroad, in Washington's view.

There has been a strong argument for this view for much of Mr. Yeltsin's reign. But that reign is coming to an end, and so is the utility of that argument. If his current illness is far less serious than his quintuple bypass surgery and double pneumonia of last winter, it is far more serious than a cold, diplomatic sources say.

In any event, Russian politics no longer present a binary choice between the Communist Old Guard and Boris Yeltsin. Other faces and forces will dominate the next elections. Russian society has moved beyond the model of trickle-down stability that Washington assumes still prevails.

The integration of Russia into world organizations requires the development of a healthier, less corrupt and less manipulated Russian financial and tax system. Politics, too, must change, moving away from the autocratic rule that Mr. Yeltsin has refused to alter even though the price has been the creation of a void when it comes to succession.

These are the hard choices that Russia has to be encouraged to make. Relying on Mr. Yeltsin to deliver diplomatic goodies, while overlooking his willful refusal to work seriously for a system that does not depend on a czar-like leader, is shortsighted strategy. The goodies are certain to disappear when he does.

The Washington Post.

For Koreans, a New Chief Just When Change Is Needed

By Ralph A. Cossa

SEOUL — Kim Dae Jung will become president of South Korea at the worst possible time — and at the best possible time.

It is the worst of times, given the country's dismal financial situation and economic outlook, which will require harsh, politically unpopular remedies.

But it is the best of times, since such remedies, which are long overdue, have now been mandated by the International Monetary Fund and accepted by the government. This provides the new leader with a strong reason for endorsing them and pursuing unpopular measures.

At one point in the campaign, candidate Kim said he wanted to "renegotiate" the IMF conditions, but he quickly relented. He now appears to accept that binding agreements made by one administration must be honored by the next. As president-elect, he must continue to send clear signals that he remains committed to the IMF agreement. Failure to do so would only exacerbate the crisis.

Also, Mr. Kim should quickly establish a special economic advisory commission to help develop a long-term plan to institutionalize IMF reforms and ensure continued progress in liberalizing trade and investment policies. It is in the domestic and international business communities that the greatest doubts about his leadership abilities are found. He needs to allay these concerns.

It is also the best of times because the recent start of formal four-party peace talks involving North and South Korea, China and the United States presents the best opportunity for peace on the peninsula since the breakdown of North-South talks in early 1993.

Mr. Kim has shown more flexibility in discussing various approaches toward the North than almost any other South Korean politician. In a pre-election interview in The Korea Herald, he underscored the central importance of maintaining a strong security system even while engaging Pyongyang "to allay their fears and turn their isolation into openness and reform through inter-Korean talks and international aid."

To calm fears among his own people and among South Korea's allies, Mr. Kim should repeat his strong support for the U.S.-South Korean military alliance and work closely with the U.S. government in developing a coordinated, nonconfrontational but firm approach to dealing with Pyongyang.

He has rightly observed that President Kim Young Sam's "lack of policy consistency" has resulted in "unnecessary conflict" and a "negative impact on U.S. confidence" in Seoul's policy.

Kim Dae Jung's election opens the door for a more flexible and imaginative approach to the North. It should be aimed at widening channels of communication. High priority should be given to increasing access of nongovernmental organizations and the private sector to the North, including trade and investment. This would encourage a greater sense of interdependence. South Korean and American policies that inhibit or prohibit such actions should be reassessed.

Unilateral efforts and goodwill gestures, including generous food aid for the North, should be considered, not as gifts but as a means of increasing interdependence. Humanitarian assistance should not be linked to near-term political objectives, although insistence on more effective monitoring of distribution is appropriate.

But any substantial long-term benefits to be offered by the South or the United States, such as a reform program for the North's agriculture, should be linked to specific actions or concessions by Pyongyang. This can best be handled within the framework of the four-party talks, specifically, the scheduled dialogue on North-South confidence-building measures.

The presidential election provides an ideal opportunity both for a renewed endorsement of the key role of a strong U.S.-South Korean security relationship and for a comprehensive reassessment of U.S.-South Korean policy toward the North based on clearly identified and mutually shared objectives.

While peaceful reunification of the peninsula remains the goal of both Seoul and Washington, policy emphasis today should be on creating the environment in the North that will make reunification possible over time. This requires a long-term strategy — one that is aimed neither at propping up nor hastening the collapse of the current regime in Pyongyang.

The near-term objective should be to encourage coexistence while removing sources of tension and insecurity, and fostering changes in attitude among the people of the North.

For any long-term strategy to succeed, South Korea must first get its own house in order. This requires a sound economic plan to carry out IMF reforms and promote further economic liberalization. It also requires a genuine effort to mend political wounds that were reopened or deepened in the hotly contested presidential-election campaign.

The writer is executive director of the Pacific Forum CSIS, a Honolulu-based research institute. He contributed this comment to the International Herald Tribune.

Free Trade Can't Be the Cure for Everything

By Stephen S. Rosenfeld

WASHINGTON — It is part of our way of dealing with economic crisis that the explanations come instantly and with remedial prescriptions, and from precisely the established professionals and authorities whose earlier premonitions, if any, did not quite penetrate to those of us who are amateurs in the game.

Typically, writes the Far Eastern Economic Review of last month's bankruptcy of a huge Japanese brokerage house, Japan's economic mandarins whitewashed for a full six years the severity of the problems resulting from the bursting of the Japanese "bubble economy."

But never mind. Even an amateur can identify the official international response to the crisis now touching Thailand, South Korea and Indonesia, among others: As the Financial Times describes it, the IMF is acting as world economic fireman "squirting" money and conditionality on financial fires. The Fund speaks for the developed countries' central banks and financial ministries. Stability is what it does.

As it happens, I recently saw up close the effects of an IMF-type attempt to douse a fire. In Mexico, the cost of an American-led bailout analogous to IMF prescriptions for the ailing Asian tigers is on plain view.

Yes, growth is being restored. But the rescue operation produced not merely a pitiful aggravation of lower-class poverty. Crueler in a sense, it also decimated a middle class that thought it was a rising middle class — the classic prerevolutionary condition.

Whether the IMF's medicine delivers the Mexican economy to a structural cure is in the category of remains to be seen.

South Koreans and other affected Asians intend to export their way out of the tremendous financial bind that their IMF conditions thrust upon them. Good luck. To aid their exports they are into competitive devaluations of their currencies. One wonders how the newly inspired exporters of already export-heavy Pacific Asia are going to find the large additional markets they will be seeking, urgently, for their goods.

In that regard, somebody with a voice ought to remind us of what are the economic limits of the vast expanded global trading scheme contemplated by the more ardent apostles of free trade.

I am not slipping away from support for the principles of free trade. But surely it cannot be the answer to everything — to jobs, to poverty, to growth, to the discipline and austerity imposed by the IMF. And surely everyone cannot be a net exporter, and of the same products.

As for the political limits on trade enlargement, Congress has blunted Bill Clinton's "fast-track" initiative for tariff-lowering trade talks in a signal of hesitation heard around the world. Just as the IMF has loan conditions centering on financial and budgetary considerations, the U.S. Congress has conditions for its support of free trade focusing on employment standards and the environment.

It turns out, of course, that designation of a foreign economy as free-market is no more a guarantee of enduring effective performance than designation of a foreign political system as a democracy. In both cases, the external forms — good growth numbers, free and fair elections — may be undercut by internal institutional weakness.

Set aside for the moment the panting tigers. Lack of a strong, accountable banking system and of sufficient transparency and openness has plagued even mighty Japan.

IMF assistance and discipline, necessary in the short run, are no substitute for painfully won progress in institutional growth at home. This is a familiar lesson, but its point has been dulled in the post-Cold War euphoria over the discrediting of command economies.

Some greater realism about the pace of maturing of free economies is being forced upon an international audience by the anguish coming out of Asia. The common diagnosis of poorly regulated financial systems may not be the last word, but it is the agreed place to start the cure.

In the early Clinton years, voices were heard commending a focus on Asia in order to better enter markets that were seen to be expanding rapidly and that were thought to possess a special key to growth. The latest developments devalue what was left of any American tendency to impute magic to Asian economies.

But this is not to sell Asia short. In the global sweepstakes, Europe is far from counting itself out, and the same must be said of Asia. Its talents and resources ensure that its current difficulties are not a stopping point but a bumpy phase in the development of a global economy linking national and regional economies.

The Washington Post.

Iran's Real Hope Is Its People

By Azar Nafisi

WASHINGTON — Conciliatory remarks by President Mohammed Khatami this month spurred hope in the West for a more open Iran. Only a few days before Mr. Khatami's gesture, however, the UN General Assembly passed a resolution calling for Iran to "stop executions for nonviolent crimes and establish human rights for women and minority religions."

The United Nations special investigator, Maurice Copithorne, had concluded that improvements in human rights under President Khatami were "so modest as to represent little substantive improvement."

As if to confirm these findings, Ibrahim Yazdi, a former foreign minister and the head of an opposition group, was imprisoned on Dec. 14 without explanation or charges.

Seen in this context, Mr. Khatami's repeated remarks about the value of a civil society and the importance of the rule of law ring hollow.

There is a misconception about the term "rule of law" as used by leaders of the Islamic Republic. And the West has failed to recognize that the real force for change in Iran is the Iranian people.

In the West, "rule of law" means civil rights and democracy. But the Islamic Republic's constitution, which Mr. Khatami insists on observing, mandates the subservience of women, morality patrols, the negation of minority rights and censorship of all that is deemed "un-Islamic." Iran's supreme religious leader can annul any decision made by the Parliament.

Ordinary Iranians have their own methods of challenging the law. For instance, there was the "soccer revolution" last month, when millions of Iranians celebrated the national team's qualification for the 1998 World Cup by pouring into the streets of Tehran, honking horns, playing music, singing and dancing.

Women, who are officially banned from sports stadiums, rushed out to join the celebration. Some doffed their head scarves. All such acts are punishable by fines, prison terms and flogging. In this case, the sheer number of revelers made it impossible for the Iranian police to make arrests.

Mr. Khatami is not the cause of change in Iran; he is, at best, its symptom. What the people are demanding is anchored in a history of struggle for a more modern and civil society.

Mr. Khatami's victory in September was rooted in a paradox: He had to belong to the clerical hierarchy to qualify for the election, but to win popular support, he had to campaign against many of the ideas that this hierarchy stood for.

He now expresses hope for a "thoughtful dialogue" with the United States. In response, President Bill Clinton identified terrorism, the manufacture of weapons of mass destruction, and active opposition to the Arab-Israeli peace process as obstacles to Iran's overtures. Unfortunately, he missed the opportunity to voice concern for the human rights of the Iranian people.

They have demonstrated that the defense of individual rights and the creation of a civil society are not a Western concern but a universal one.

The writer, an Iranian visiting fellow at Johns Hopkins University, was fired from her teaching position at Tehran University for not wearing a head scarf. She contributed this to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Spanish Rule

MADRID — A despatch from Manila states that several hundred rebels have presented themselves before the date appointed to make their submission. Several thousand natives have also tendered their submission. The act of submission will be made with great solemnity. The rebels will march past the Spanish troops laying down their arms, and General Aguinaldo himself will issue a manifesto formally recognising the sovereignty of Spain.

1922: French Masons

PARIS — Ferment reigns in French Communist circles owing to a recent edict from Moscow barring French Freemasons from the Red International. The order was decided when the Italian delegates spread the belief that the French Freemasons may be inspired to wreck Communism in France. A study of the edict shows that virtually every member of the French directorate has been called on to resign, Moscow insisting that the directors of the party must be manual laborers, not writers and professional politicians.

1947: Pope's Message

ROME — In a Christmas encyclical released today [Dec. 20], Pope Pius XII called upon all Christians to pray for peace in the world that is still threatened by war. Recognizing that peace is not yet assured, he declared that the principal source of all the evils which beset mankind today is the fact that people have forsaken the religion of Christ. The encyclical entitled "Optatissima Pax" (the long-sought-after peace) expresses His Holiness's concern over the "uncertain future" and the bitter hate engendered by widespread poverty and social unrest.

صكذا من الأصل

...ussia Policy

Change Is Need

...ure for Every

LANGUAGE

Where Travelers Rest Their Weary Heads

By William Safire

WASHINGTON — At the height of the travel season, as you look for a place to stay away from home, what do you call the business that caters to your needs?

The *hotel business* is too narrow. Thirty-four years ago, the hoteliers changed the name of their association to include *motels* (coined in 1925 from "motor hotel"), but now we have places to lay your weary head from rural *bed-and-breakfasts* to luxurious *resorts*.

This need to spread out a category has produced the *lodging industry*, which includes *extended-stay lodging* (four nights or more at a place with a kitchenette) and *alternative lodging* (time-sharing arrangements and vacation condominiums). The origin of *lodge* as well as *lobby* is from the Latin for "shelter of foliage," which explains why so many hotel lobbies and atriums look like jungles today. In "The Spirit to Serve," a new book by J.W. Marriott Jr. and Kathi Ann Brown, *lodging industry* is the preferred term, but the accompanying news release refers to Bill Marriott as a *hospitality industry* executive.

Now we're getting somewhere. The *hospitality industry*, according to Marni Dacy at the quaintly named American Hotel and Motel Association, includes both the *lodging industry* and the *gaming industry*. (Never say *gambling*, and *casino* has a sinister connotation; *gaming* sounds like fun and games.) Cornell University's School of Hotel Administration says on its Web site that it "has set the standard for *hospitality management*" and is "helping prepare the future leaders of the global *hospitality industry*." Florida International University in Broward County has a School of Hospitality Management.

If you're being *hospitable* (from the Latin *hospes*, "host," as are *hotel*, *hostel*, *hospitality* and *hospital*), you've got to feed the guest. Part of the *hospitality industry*, says the restaurateur-raconteur George Lang, is the *restaurant industry*. Lang — whose forthcoming autobiography, "Nobody Knows the Truffles I've Seen," is a book to savor, relish, smack one's lips over and profoundly appreciate — includes in the *restaurant industry*

The 'hotel business' sprouted many branches as it grew into the 'travel and tourism industry.'

everything from tablecloth manufacturers to vintners and interior designers. He cautions me, however, not to make that the *food and restaurant industry*, lest the sale of food and beverage on premises, which is the primary business of restaurants, slops over to the production and sale of food from *farm to supermarket, which is the food industry* and goes beyond what we're talking about here.

Hospitality's umbrella covers where people stay *(lodge)* and what they do there (play and eat), but not how they get there. Now you need a super-umbrella term to reach out over the method of reaching the hospitable place. *Leisure industry*? No, that huge field of determined recreation contains much that can be done at home, a place of habitation rather than lodging. The tie to, and subsumer of, *hospitality* is the *travel and tourism industry*.

We're there. The lingo of travel agents is worthy of separate study. Work is needed on the differentiation of *layover, stayover* and *stopover*; initial research from a nice lady who gives me a bagel and a schmear on the Delta shuttle suggests that *layover* is a term for a *stopover* by flight crews, but a *stayover* is a stay of any length by passengers. This department is prepared to entertain further analysis of the combining form *-over* from flight attendants, formerly stewards and stewardesses, but why can't they substitute nut bread for the bagels once in a while?

Here are some neologisms culled by Thomas Wallace, editor in chief of Conde Nast's Travel magazine:

- *Back-to-back ticketing* is a technique business travelers use to take advantage of airline weekend fare offers: These Sneaky Petes buy two bargain round trips, each with a Saturday whatever-over, using only half of each ticket, which is cheaper than one Tuesday-to-Thursday round trip.
- *Leaf peepers*, "people whose vacations consist of seeing the country's fall foliage."
- *Open-jaw ticket*, a triangular pattern of air travel (like Toronto-London-New York) without completion of the return.
- *Affinity miles*, frequent-flier miles you get through your credit card, your long-distance telephone company and any other outfit that likes to throw a FIT, an acronym for "frequent international traveler." (*Affinity* is rooted in "related by marriage," as opposed to *consanguinity*, "related by blood." When an airline owns a hotel, and the hotel offers frequent-flier miles, those should properly be called *consanguinity* miles.)
- *Red sea rig*, men's cruisewear having nothing to do with the Red Sea; a black-tie outfit worn without the jacket but with a red cummerbund.
- *Express checkout*, a columnist's quick way of leaving a subject.

New York Times Service

BOOKS

THE WINNER

By David Baldacci. 513 pages. $25. Warner Books.

Reviewed by
Christopher Lehmann-Haupt

DAVID BALDACCI gets catchy ideas for thriller plots. In his first novel, "Absolute Power," a cat burglar robbing a mansion inadvertently witnesses a murder, committed by the president of the United States no less. In his second novel, "Total Control," a woman loses her husband in a plane crash, only to be told by the FBI that her husband caused the crash and is actually still alive.

Now in "The Winner," Baldacci has come up with yet another good one. LuAnn Tyler, of Rikersville, Georgia, is a 20-year-old unwed mother with only her Daisy Mae good looks and her raw physical strength going for her. She's solicited for a job interview by a man calling himself Jackson, a master of disguises who "had received a first-rate education from a prestigious Eastern school" and "achieved a rare double major in drama and chemical engineering."

What Jackson offers LuAnn is a guarantee to be the next winner of the $100 million national lottery. LuAnn, "a firecracker with a heart of gold," huffs: Are you kidding? That would be wrong. So she walks away from the proposition.

But when she gets home to the trailer she shares with the no-good father of her child, she walks into the middle of a drug deal gone wrong. In self-defense she ends up killing a man who has just fatally stabbed her boyfriend. At least she thinks she has killed the man. She also believes that the only way out of her predicament is to accept Jackson's offer of the lottery fix.

So far, so good. LuAnn is sympathetic in her integrity and her fierce devotion to her baby daughter, Lisa. So we root for her as she follows Jackson's instructions to buy a lottery ticket and travel to New York City for the drawing. And the excitement builds as one by one the balls with her numbers come up.

Until the last number: "Ever so slowly, even as LuAnn's heart threatened to cease beating, the two balls, as though carefully choreographed, again swapped places with each other in the swirling spray of hot air, even ricocheting off one another at one point. After this momentary collision, the number one ball, mercifully for LuAnn, finally shot through the opening and was caught in the tenth and final tube." She has won her $100 million.

But, alas, Baldacci has trouble sustaining the drama. After a while, you find yourself turning the pages of "The Winner" mechanically, in a state more of tepid curiosity than of excitement.

On closer acquaintance, LuAnn and Jackson turn out to be two-dimensional as characters: She's little more than muscular and devoted to Lisa; he's a standard-issue psychopath suffering from an abusive upbringing. And the members of the supporting cast are so wooden that you can practically count the rings in them.

As for storytelling, Baldacci is as amateurish as an untrained puppy. He is capable of changing narrative point of view in midpunch. If only Baldacci could write half as well as he can dream up plot gimmicks. Then "The Winner" would deserve to climb the best-seller lists, even as high as it inevitably will.

New York Times Service

BRIDGE

By Alan Truscott

TRUE freak hands, in which at least one player has either two voids or a void and a singleton, rarely produce problems in the play. The diagramed deal is an exception. Before reading on, consider the prospects of game contracts for North-South.

The deal occurred in a duplicate game at the Riverdale Yacht Club in Riverdale, New York. It was organized by Claire and Peter Martin in memory of Dorothy and Reginald Johnson, who directed the club's weekly game for many years.

When the South players recovered from the shock of seeing red, and only red, they usually bid slowly to four hearts or five diamonds, both entirely reasonable contracts. Six diamonds has excellent prospects but is ruined by the bad heart division.

A four-heart contract makes easily against passive defense, for South loses just three trump tricks. But a club lead begins the process of weakening South's trumps.

NORTH
♠ A K 10 8 7 4
♡ Q
◇ Q 3 2
♣ K 7 2

WEST
♠ Q
♡ A J 8 6 3
◇ 10 6 4
♣ J 9 8 5

EAST
♠ J 9 6 5 3 2
♡ —
◇ 5
♣ A Q 10 6 4 3

SOUTH (D)
♠ —
♡ K 10 9 7 5 4 2
◇ A K J 9 8 7
♣ —

Neither side was vulnerable. The bidding:

South	West	North	East
1 ♡	Pass	1 ♠	2 ♣
2 ◇	Pass	3 ♣	Pass
3 ◇	Pass	3 N.T.	Pass
4 ◇	Pass	4 ♡	Pass
Pass	Pass		

West led the club five.

The declarer ruffs and leads a heart, won by the ace. A second club forces another ruff, and South and West have equal length in trumps.

It would now be an error for South to cash the heart king. Instead he should cross to the diamond queen, throw a diamond on the spade ace and force himself by ruffing a club. Then he can cash two diamond winners and reach the position shown at right.

A diamond winner is led, and South cannot be prevented from making three tricks and his game. If West ruffs and leads a club, he is endplayed by the lead of the final diamond.

Five diamonds also succeeds, even if West is inspired to lead a low heart and give his partner a ruff.

But that is not the complete answer to the question posed at the start: the improbable contract of three no-trump by North cannot be beaten.

East gives the declarer his ninth trick if he leads a club, so he tries a spade or a diamond. After North has taken the spade and the diamond queen, in any order, he leads a low spade. This endplays East at the third trick, a contradiction in terms.

NORTH
♠ K 10 8 7 4
♡ —
◇ —
♣ —

WEST
♠ —
♡ J 8 6 3
◇ —
♣ J

EAST
♠ J 9 6
♡ —
◇ —
♣ 10 6

SOUTH
♠ —
♡ K 10 9
◇ J 9
♣ —

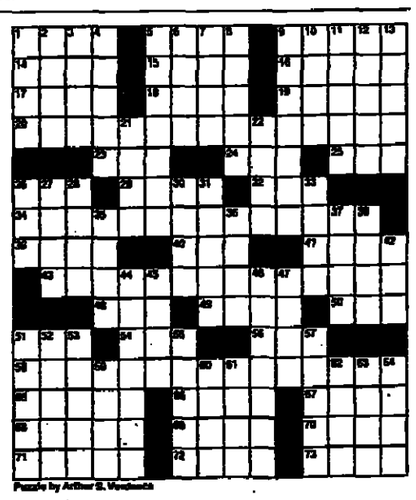
CROSSWORD

ACROSS

1 Capital of Azerbaijan
5 —— Kett of early comics
9 Confronts
14 X —— xylophone
15 Statutes
16 Nonsensical
17 Leave in, editorially
18 Explorer called "the Red"
19 Kind of orange
20 With 34-, 43- and 58-Across, message on a tourist's postcard
22 Chou En——
24 Bout outcome, briefly
25 River at Ghent
26 Strike caller
29 After
32 Truck track
34 See 20-Across
39 Composer Stravinsky
40 Moray, e.g.
41 Lendl of tennis
43 See 20-Across
48 Ordinal suffix
49 Card game start
50 Born: Fr.
51 Airline with the old slogan "Up, up and away"
54 Broadcast
56 Oversized
58 See 20-Across
65 Put —— to (end)
66 Surrealist Salvador
67 Gym socks may have one
68 India's first P.M.
69 "Holy moly!"
70 What's holding things up
71 Like Gatsby
72 Actress Russo
73 Root in Hawaiian cookery

DOWN

1 Wingding
2 Nick and Nora's dog
3 Chicken —— (deep-fried dish)
4 "Don't open —— Christmas!"
5 Mournful
6 Scarlett's home
7 Baby branch
8 Broad necktie
9 Discover
10 Med. course
11 Carp
12 Hostile force
13 Tennis champ Monica
21 Back of the neck
22 Gumbo
28 A.P. rival
27 Prefix with bucks or phone
28 Ship's front
30 Part of a rose
31 Preppy's fabric
33 Significantly underweight
35 At liberty
36 "What —— can I say?"
37 Uniform
38 Lightly cooked
42 Actress Carrie
44 "Don't move!"
45 Toledo's home
46 Trip to the airport, say
47 Nobelist Wiesel
51 Nasal tone
52 More prudent
53 "—— World Turns"
55 Less polite
57 Basic Halloween costume
59 Jewish wedding dance
60 Carry on
61 Vivacity
62 —— St. Vincent Millay
63 Din
64 Hence



Puzzle by Arthur S. Vandewalle

Solution to Puzzle of Dec. 19

A	I	D	O	F	F		T	A	S	K	S			
E	N	E	W	A	L	S		B	U	T	A	N	E	
N	T	E	N	N	A	E		E	N	T	R	E	E	
E	E	R	S		M	A	P	L	E		G	E	T	
I	N	E		M	E	R	I	T		D	A	D	O	
D	D		V	A	N	C	E		N	I	S	E	I	
		P	A	R	C	H		R	U	S	S	E	T	
G	O	O	D	C	O	P	B	A	D	C	O	P		
A	P	S	E	S		A	R	I	E	S				
S	T	I	R		G	R	I	N	S		R	U	M	
P	I	T		P	U	T	T	Y		P	E	S	O	
E	M		P	E	T	I	T		G	A	M	U	T	
D	I	S	O	N		E	L	S	I	N	O	R	E	
A	Z	O	R	S		S	E	A	L	E	V	E	L	
L	E	P	T			R	O	L	L	E	R	S		

© New York Times/Edited by Will Shortz

INTERNATIONAL



Agence France-Presse

Thabo Mbeki, head of the ANC, greeting Winnie Madikizela-Mandela with a kiss after her election to the ANC national executive committee.

MANDELA: *Putting Whites on Notice*

Continued from Page 1

sonal meetings with whites. But some here fear that the Mandela-Mbeki team has invoked racial group interests to an extent that is out of step with the new government's espoused goal of a non-racial society.

"He was clearing the decks for Thabo Mbeki to come and focus no longer on reconciliation but on the primacy of the interests of the black majority," said Themba Sono, president of the South Africa Institute of Race Relations. "Does this comport with our constitutional prescription?"

The answer would appear to be yes and no.

The new South African Constitution allows for the wrongs of the past to be righted, but it also allows for the protection of minority rights. These two goals do not necessarily conflict.

The ANC continues to see itself as a black liberation movement with a mission not simply to rule the country but also to improve the lot of the black majority and provide it with the quality of life and the opportunities robbed by apartheid.

But government is almost the only sphere where the ANC can hold effective sway. The civil service, under a compromise with the last white-minority government, is still largely populated by bureaucrats of the old regime. The economy, despite some high-profile deals called "black empowerment," remains vastly white-controlled.

Overall, 65 percent of whites were in the richest of five income brackets in a recent survey, compared with only 10 percent of blacks; conversely 23 percent of blacks were in the poorest income bracket, compared with only 1 percent of whites.

Thus, blacks' interest in political and economic advancement conflicts sharply with whites' interest in holding the line. In an economy where growth is stagnating at a projected 2.5 percent for the year and unemployment is on the rise, where black college graduates enter a job market with few jobs, these debates take place in a zero-sum context in which one group's gain is seen as another group's loss.

The debate over change has been the subtext of several policy debates cutting across every sector. Is affirmative action for black workers fair? Does black labor have too much power? Will the country's new free-market, fiscally conservative economic policies benefit large corporations or the country's rank and file? Should affluent white areas bear a heavier tax burden so that poor black areas can be upgraded? And so on.

Mr. Mandela, in his speech, offered no solutions to this transformation conundrum.

But he quoted two well-known global capitalists, David Rockefeller and George Soros, to support his contention that unfettered free-market policies can be damaging to the common good and that governments must sometimes intervene to establish economic equilibrium and foster change.

To refute opponents of affirmative action here, he quoted a landmark 1965 civil rights speech by President Lyndon B. Johnson. "We seek not just freedom, but opportunity," and "not just equality as a right and a theory, but equality as a fact and as a result."

Amid the white hand-wringing induced by Mr. Mandela's speech, Patrick Bulger, political editor of The Star newspaper, departed from the pack and wrote a scathing analysis of the white perception. He said the common but unspoken white view is "that blacks somehow should be satisfied with less, that this is somehow in the natural God-given order of things."

"The ANC, the conventional white wisdom would go, is welcome to bring about a better life for all South Africans, but not at the cost of white privilege."

BRIEFLY

Algerians Report 18 More Killings

ALGIERS — Two bomb explosions killed eight people and wounded four near Algiers, while 10 bodies were found in a well in the Mitidja region, it was reported Sunday.

Five people were killed and one person was wounded in Bentalha, on the outskirts of the Algerian capital, when a bomb exploded, La Tribune newspaper said. In another suburb of Algiers, Sidi-Moussa, a bomb exploded in a house, killing three and wounding two, it reported.

In Labaaziz, a village in the Mitidja farming plains south of the capital, 10 bodies were found in a well Wednesday. Four of the bodies were of women found decapitated and in an advanced state of decay, La Tribune said. Only four bodies were identified. *(AFP)*

Moi Says Coalition Fosters Tribalism

NAIROBI — President Daniel arap Moi of Kenya, seeking re-election to a fifth, five-year term, said he was opposed to a coalition government, fearing tribal tensions would worsen.

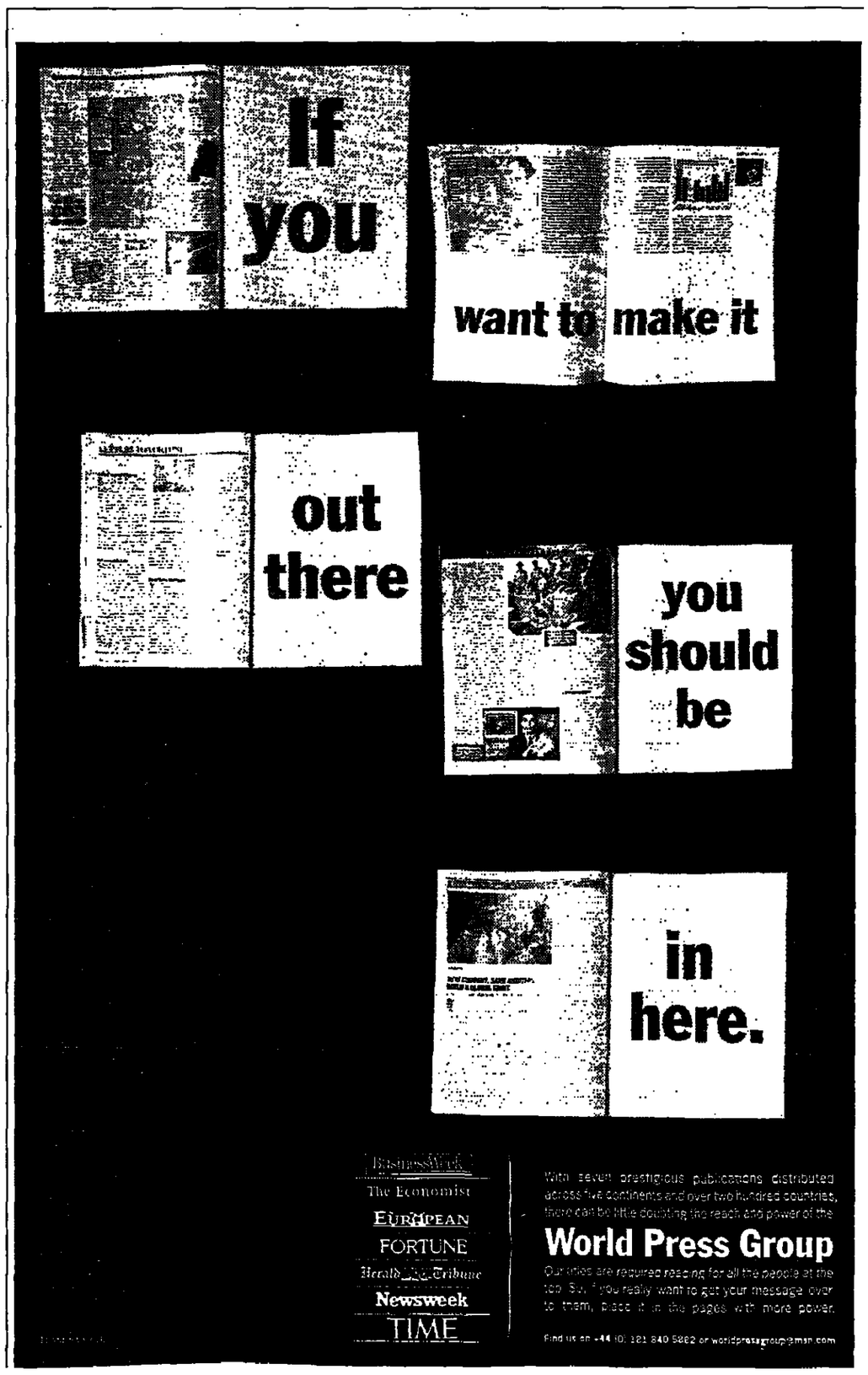
Mr. Moi, in his first live television interview, said Saturday that tribalism would continue to slow development unless Kenyans began to approach issues from a national level. "You will hear a politician saying his tribe is being marginalized, and in the same breath addressing national issues," said Mr. Moi, 73. "This is not good because it does not promote national unity."

Some of the 15 candidates for president have openly campaigned for tribal votes in this country of 42 ethnic groups. *(AP)*

Peru Tensions Rise

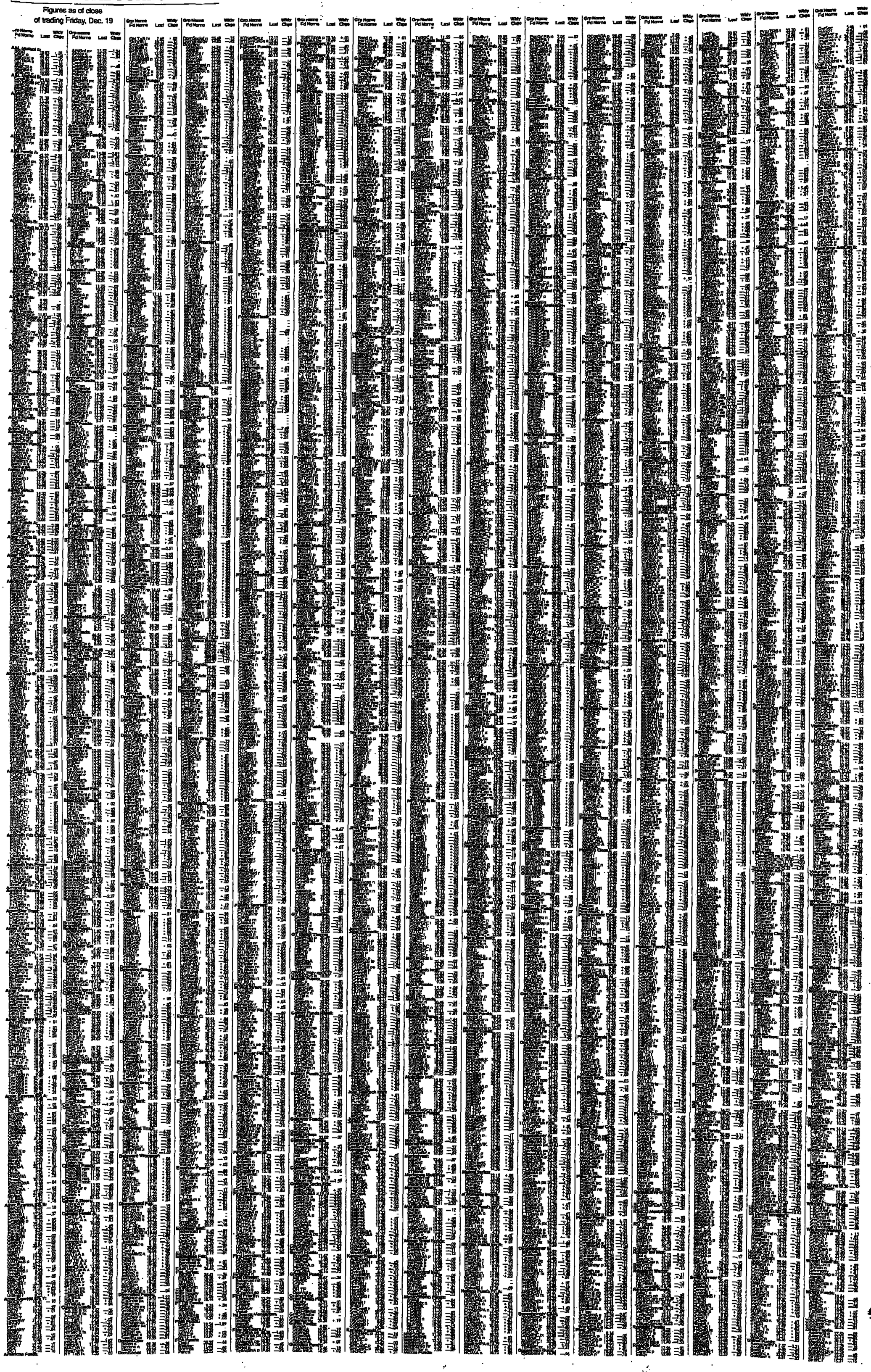
LIMA — President Alberto Fujimori has ordered Peru's military leaders back to their posts as tensions between the Peruvian executive and the country's top military leaders mounted.

Military leaders had assembled in Lima on Friday and Saturday to celebrate the 63d birthday of General Nicolas Hermoza Rios, whose relationship with Mr. Fujimori has taken a turn for the worse. *(AFP)*



U.S. MUTUAL FUNDS

Figures as of close of trading Friday, Dec. 19



هكذا من الأصل

هكذا من الأصل

Herald International Tribune

BUSINESS/FINANCE

MONDAY, DECEMBER 22, 1997

Ghosts of Deficits Past: America Relives the Fear

Flood of Asian Imports Set to Swell Trade Gap

By Richard W. Stevenson and David E. Sanger
New York Times Service

WASHINGTON — After years in which the strong economy has dampened confrontations over international trade, the issue is set to flare again against a backdrop of turmoil in Asia as imports surge and exporters find it more difficult to sell their goods abroad.

The near-certainty that the U.S. trade deficit will be driven sharply higher by the economic crisis sweeping through Asia has profound economic and political implications.

Some U.S. workers could lose their jobs, and employers could feel pressure to hold down wages. The profits of multinational corporations have already been put under pressure by the downturn in Asia, unnerving investors, and analysts are forecasting more bad earnings news.

On the positive side, a flood of cheap imports could help hold down inflation and obviate the need for higher interest rates. But tensions with large trading partners like Japan could be revived.

The Asian crisis is already altering trade patterns. In South Korea, for example, U.S. goods are nearly twice as expensive, when bought with the country's devalued currency, as they were at the beginning of the year. That is squeezing U.S. exporters ranging from auto-part makers to farmers and could imperil the jobs those exports support.

A survey last week by the National Association of Manufacturers found that four out of five manufacturing executives anticipated significantly lower exports next year because of the problems in Asia and the resulting currency fluctuations. Among the industries that the association expects to be particularly hard-hit are electronics, telecommunications equipment and capital goods.

Imports from Asian countries are tumbling in price, reflecting the steep decline in the values of their currencies relative to the dollar — a boon to American consumers and a big help in holding down inflation. Government statistics released last week showed that import prices from South Korea, Taiwan, Hong Kong and Singapore fell 1.2 percent in November, before the most recent round of currency declines.

Economists said the effect would be to drive the trade deficit back to or above the records set in the late 1980s, although it would still be a smaller share of economic output than in that decade.

Some foreign governments are already maneuvering for what they expect will be an increasingly nasty economic and political battle with Washington. The Japanese, clearly fearful of a backlash in Washington, are already playing down the importance of any big increase in their trade gap with the United States.

"What's the problem?" Foreign Minister Keizo Obuchi said during a visit to Washington 10 days ago, departing from the usual Japanese assurances in recent years that the deregulation of the Japanese economy will close its trade gap with the United States. "If you buy Japanese goods and we use the money to buy oil from Saudi Arabia, and they buy F-16s, there is no real difficulty."

Clinton administration officials say the rising deficit is a sign of economic strength, not weakness, and in any case represents only a tiny fraction of the nation's economic activity. But they are clearly worried.

Organized labor and other opponents of unfettered trade, especially in the liberal wing of the Democratic Party, scored a big victory last month when they blocked President Bill Clinton's request to Congress for a renewal of his trade-negotiating authority. A sharp increase in the trade deficit would only embolden Mr. Clinton's opponents on trade issues.

"People are going to use this as a way to say that the U.S. is losing jobs to these countries and that we shouldn't be so fixated on bilateral and multilateral trade opportunities," said Representative Robert Matsui, Democrat of California, who supports Mr. Clinton's trade agenda. "As some of these numbers come out, it could be a problem for us."

Administration officials and many economists say the projected increase in the deficit is nothing more than a reflection of the strong demand for goods and services being generated by a nation growing much faster than its main trading partners.

And there are benefits from the imbalance. U.S. consumers will enjoy lower prices on Sony camcorders from Japan, Hyundai automobiles from South Korea, sneakers from Malaysia and other Asian goods. Because domestic competitors will have to hold down their prices as well, the overall inflation rate should be kept in check.

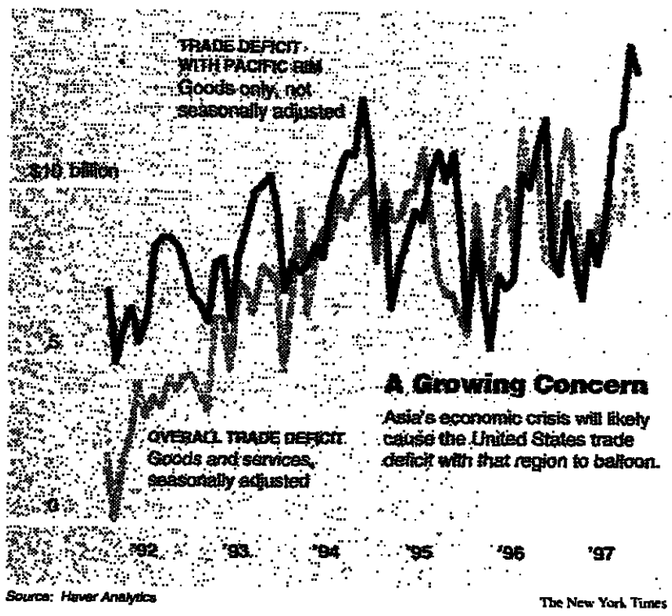
The flip side is that U.S. companies will have even less ability than they have had in recent years to raise prices in America. Combined with their difficulties in exporting, the profit outlook for many companies is worsening.

But even the slowdown in exports will have a positive side. Many economists are forecasting that it will help take some steam out of an economy that has been threatening to overheat, thus reducing growth to a sustainable pace and preventing the Federal Reserve Board from raising interest rates.

"These rising trade numbers, which scare the American people and bring frothing to the mouths of politicians, are in some ways a sign of the United States doing its job," said M. Carey Leahy, chief U.S. economist at High Frequency Economics, an economic consulting firm. "Clearly no one will complain about an influx of cheap, high-quality Asian goods. The joke that no consumer ever died in a price war is certainly true."

But, Mr. Leahy and other economists said, there is clearly a dark side to steep increases in trade deficits. Import competition and slowing exports will cost some workers in the United States their jobs, especially in manufacturing industries, and could put pressure on employers to hold down wages. Some economists think the profits of U.S. corporations will suffer, potentially unnerving stock market investors, who have been betting on continued strong earnings growth.

See TRADE, Page 13



Source: Haver Analytics

The New York Times

Korean Region Expects Action by Favorite Son

Cholla Hopes Kim Will Spur Development

By Don Kirk
Special to the Herald Tribune

KWANGJU, South Korea — Ask almost anyone in this city in the relatively undeveloped Cholla region what they expect of the incoming president, and the response is the same.

"We don't expect any special favors for Kwangju," said the garrulous woman behind the desk of a small inn near the railroad station. "We just want to be treated the same as everybody else."

Now, for the first time in popular memory, people here think they are finally going to get just that — economic treatment equal to that accorded for decades to the more affluent regions to the north and east.

The reason is simple: the victory of the Cholla region's favorite son, Kim Dae Jung, last Thursday in his fourth run for the presidency.

"Our infrastructure, our factories, our industries, everything is so far behind," said Chung Soon Joon, an official in the office of the governor of Kwangju, a city of 1.3 million that is legally separate from South Cholla Province. "We don't overly expect Kim Dae Jung will do many things for us, but probably deep in our hearts we expect more development."

"Taegu and Pusan and North and South Kyongsang Provinces got all the industry and the infrastructure," said Yun Young Ju; another staff member at city hall. "They think the Cholla provinces are only for agriculture. The road between Kwangju and Mokpo is not even a highway. We are far behind the rest the country."

While the per-capita gross national product of the average Korean is more than $10,000 a year, the per capita GNP of the Cholla region is perhaps two-thirds as high.

"Our productivity rate is far behind because we don't have the power, the railroads, the port facilities of the rest of the more developed areas," Mr. Yun said. "President Park marked Pusan as a major port and other cities on the ea coast and around Seoul but overlooke Cholla," he added, referring to Pa Chung Hee, the former leader.

Although he spends most of his tim in Seoul these days, Mr. Kim's po ularity here is ensured by his oratoric style, marked by a heavy Cholla accen that sometimes grates upon the nerv of Koreans from other regions, and h his support for the interests of labor an the poor.

"We have not so much busine here," said Kim Tuk Han, a small me chant in a shopping district near city ha "Kim Dae Jung may be able to influen other factories to build here."

Or at least, in the view of Kwang residents, he may prevent the industri that are already here from going out business. Halla Shipbuilding in Sou Cholla Province has already gone in bankruptcy, announcing the layoff 6,000 workers, while Asia Motor which employees 5,000 workers, is als in receivership.

"Five percent of the entire Kwang population either works for Asia Moto or its subsidiary companies or depen upon its employees," Mr. Yun sai "We cannot afford for it to go out business. We hope that Kim Dae Jun will sympathize with our predicament."

■ Seoul Doubles Debt Guarantee

The South Korean government ha pledged to guarantee up to $20 billion foreign currency debt owed by com mercial banks, doubling a $10 billio commitment made last week Bloomberg News reported from Seou

The government needs to convinc foreign banks to renew loans to the Korean counterparts to prevent default Three more companies — Seokwan Construction Co., Dong Sung Co., an Hyosung Motors & Machinery Co. - were declared insolvent by their cred itors Saturday, and the stock exchang said a fourth company, Chun Kwan Industrial Co., would seek court pro tection from its creditors.

French Business Avoids World Cup Fever

Bloomberg News

PARIS — France may be missing an opportunity to profit fully from the 1998 World Cup soccer tournament next summer, according to business leaders.

The stadiums, transportation networks and other infrastructure for June's competition are nearly complete, but World Cup fever has been slower to grip the host nation's people and businesses.

Only now, more than two weeks after the 32 teams learned where they will play, are World Cup T-shirts and other paraphernalia becoming common in stores, far later than when the United States played host to the 1994 competition or Italy was the site of the 1990 matches.

Aside from the 2.5 million spectators who will watch the 64 matches in stadiums throughout the country, the tournament is expected to attract 35 billion television viewers worldwide during its six weeks, making it the most-watched sporting event ever. But business leaders and the tournament's organizer report French enthusiasm for the event remains tepid.

"The country's mobilization around the World Cup is taking place later than we expected when we started organizing this event," said Jacques Lambert, managing director of the French Organizing Committee. "We're in a difficult economic environment, and so the major financial players have been focused more on the short term than looking years ahead."

Mr. Lambert attributed part of the World Cup malaise to the French characteristic of "self doubt" over achieving the same level of acumen as U.S. sports marketing, which turned the 1994 event into a resounding financial success.

"There's not a profit motive in the FOC, unlike there was in the U.S.," he said. "Our status means our public partners have a problem in seeing our goal as making a profit."

While the U.S. organizing committee earned $60 million and its chief organizer, Alan Rothenberg, received a $3 million bonus, Mr. Lambert is on a fixed salary, and the French body's official objective is to break even. Any profit will be divided between the government and the French soccer association.

"This event has enormous potential for making money and we are not making the most of it," said Christophe Simonet, a fund manager at Tocqueville Finance SA who will manage the Olympe sports fund, which will invest in companies that get at least 50 percent of sales from sports-related businesses. "It's symptomatic of the French mentality."

Without a strong profit motive as the driving force to their participation, French companies have set less-than-ambitious goals for themselves.

"If the tournament is well organized, we will consider that a success," said Armelle de Colnet, a spokeswoman for Mondiresa, the arm of the French hotel chain Accor SA that oversees the official reservation system for visitors. "We've run up 16 million francs in costs for information technology, and we expect we will be able to recoup this."

Other companies intend to wait longer before gearing up.

"It's still a bit early for the World Cup decorations to go up in our airports," said a spokeswoman for Aeroports de Paris SA, the company that manages 14 French airports, including Charles de Gaulle and Orly in Paris, and their retail outlets. "We will have decorations, but nearer to the time of the World Cup."

Because private business has been hesitant, the state has been forced to fill the void. Local and central governments and state-owned companies have invested 6.7 billion francs ($1.13 billion) in construction work for stadiums and transportation links, about three-quarters of the total infrastructure investment for the event.



Georges Gobet/Agence France-Presse

Footix, mascot of the French event.

Top Party Official Urges Tokyo To Fix Economic 'Emergency'

Compiled by Our Staff From Dispatches

TOKYO — A senior official in the governing party said Sunday that Japan's economy was in a state of emergency, and he urged the government to shelve its plans to cut spending and instead focus on efforts to buoy the economy.

"We should not be talking now whether economic boosting measures are in line with fiscal structure reforms because we are in an emergency situation," said Koichi Kato, secretary-general of Prime Minister Ryutaro Hashimoto's Liberal Democratic Party.

The government "should shift to a policy of taking economic measures now," Mr. Kato said on television.

He spoke as the lift in morale last week from a surprise tax cut proposal by Mr. Hashimoto and other government measures proved short-lived. In addition, the Finance Ministry proposed an austere budget Saturday, which was criticized by the major economic daily Nihon Keizai Shimbun as a "questionable step" that could further chill business sentiment.

The budget of 77.7 trillion ye ($600.23 billion), featuring the first d cline in general expenditures in years, was drawn up in line with a si year program to slash huge state debt General expenditures — nation spending except for debt payments an tax grants to local governments would shrink 1.3 percent from the cu rent year, to 44.54 trillion yen.

To achieve the reduction, the gov ernment would shave spending for pub lic works, defense, assistance to de veloping countries and other areas.

Mr. Kato stressed the need to stabiliz Japan's ailing financial system, repeat ing Mr. Hashimoto's pledge last wee that "Japan would not be a startin point of a worldwide financial panic."

The secretary-general suggested tha up to 30 trillion yen of taxpayers' mone could be injected into the financial sec tor, if the public was made to understan the reasons for such action. Financ companies have been rocked by a serie of bankruptcies. (AFP, Bloomberg

CYBERSCAPE

With a Few Clicks, Judge Fires Volley at Microsoft Defense

By Stephen Labaton
New York Times Service

WASHINGTON — It took less than 180 seconds and fewer than a half-dozen clicks of a mouse, and when it was over, the amateur computer experiment undertaken by a U.S. judge in his chambers had pretty much demolished a central defense of Microsoft Corp. in its high-stakes antitrust battle with the government.

Earlier in the week, Microsoft had insisted that removing its Internet Explorer browser from the latest version of Windows, as the judge had ordered, crippled the operating system. This came as a shock to thousands of computer users, ranging from experts to weekend warriors, who had removed Explorer, usually so they could install a competing product, Netscape Communications Corp.'s Navigator.

Microsoft's assertion infuriated the Justice Department, which promptly asked Judge Thomas Penfield Jackson of U.S. District Court in Washington to hold the company in contempt. Last Friday Judge Jackson announced that he was scheduling a hearing on the contempt issue for Jan. 13.

And then he announced that he had done a little amateur research on his own. He started up a new computer loaded with the latest version of Windows 95 and Version 3.02 of the browser. And then he removed the browser.

That was just what he had ordered Microsoft to do last week so that computer makers who sell machines with Windows already installed would have the choice of offering their products without Explorer, perhaps even with Navigator if they so chose.

The Justice Department has argued that divorcing the browser from the operating system is essential because the company is trying to use its dominance in operating systems to monopolize the market for Internet browsers. Browsers are the programs that enable computer users to navigate the already vast and still expanding World Wide Web, the part of the Internet that offers hyperlinked text, graphics and multimedia productions.

Microsoft's defense has been premised on the assertion that the inclusion of its browser with its operating system is not a marketing issue but a technical issue, that the two are so tightly bound that they cannot be separated.

What complicates the matter is that the two sides have very different views of what constitutes "removal" of the browser.

Judge Jackson's experiment and the Justice Department's contempt request appear to be based on the assumption that compliance with the judge's order simply means getting rid of the Explorer icon on the Windows 95 desktop so that Navigator or some other browser can be installed and can run without interference.

Microsoft insists that it was ordered to remove the entire program and all of its attendant files, known as dynamic link libraries, or DLL files. This is far more complicated because several programs often share one or more DLL files.

To comply with the court order, the company informed computer manufacturers last that they had three choices: a 2-year-old version of Windows; a current version, which Microsoft said had been crippled by the removal of Explorer, or the full version with Explorer.

The Justice Department insisted this compliance was insincere at best.

Then Friday, at what was supposed to have been a routine scheduling hearing, Judge Jackson recounted his simple experiment to surprised lawyers from both sides and suggested that, contrary to Microsoft's arguments, it was both easy and inexpensive to remove Explorer from Windows without harming the computer's operation.

Judge Jackson explained matter-of-factly that he had obtained a new personal computer with the latest Windows 95 operating system and a recent version of Explorer — he used version 3.02 instead of the latest version, 4.01 — and had then removed the browser in about 90 seconds. He then reinstalled it in another 90 seconds. In both cases, he used a utility program that is part of Windows 95 and permits users to remove or add programs without any ill effects on the operating system.

"When it was uninstalled, to all appearances Windows 95 worked fine," Judge Jackson said. "If the process is that simple, I would like to have it confirmed by the government. If it is not that simple, I'd like to have it refuted by Microsoft."

Internet address:
cyberscape@iht.com

CURRENCY RATES

Dec. 19

Cross Rates

	$	£	DM	FF	Lira	DKr	BFr	SFr	Yen	C$	Peseta
Amsterdam	1.996	3.2015	1.137	0.3366	0.1149*	—	5.402*	1.3952	1.6502*	1.3955	1.2315*
Brussels	36.655	61.08	20.835	6.1651	2.1034*	18.51	—	25.58	0.2938	25.56	24.37*
Frankfurt	1.368	2.2977	—	0.2986	0.102*	0.8893	4.8462*	1.235	1.3775*	1.2392	1.1813*
London (a)	1.6486	—	2.9513	0.9887	3.3877*	3.3206	60.9105	2.3845	215.19	2.3887	256.346
Madrid	150.12	253.27	84.646	25.278	8.627*	75.187	4.1022	104.643	16.167*	105.00	—
Milan	1,778.15	2,905.80	981.15	293.08	—	878.60	47.517	1,211.05	13.63	1,217.05	11.60
New York (b)	—	1.6259*	1.1754	5.9485	1.7403*	2.0015	36.68	1.426	159.28	1.439	138.825
Paris	5.9287	9.9865	3.3486	—	0.3413*	2.9973	0.1423	4.1395	46.84*	4.1617	3.9555*
Tokyo	129.45	205.47	72.87	21.77	0.743	64.66	3.5231	90.08	—	90.84	8.8614
Toronto	1.4314	2.3911	0.8555	0.2496	0.0822*	0.7251	0.2971	0.9971	1.1044*	—	0.952*
Zurich	1.497	2.2833	0.809	0.2493	0.0827*	0.7291	2.9093*	—	1.1855*	0.9958	0.9534*
1 ECU	1.1141	0.668	1.9758	0.6162	1.938.55	2.2367	40.7497	1.5997	167.226	1.5898	167.256
1 SDR	1.3587	0.8115	2.4077	0.749	2,363.84	2.7179	49.5469	1.9449	175.244	1.9315	203.974

Closings in Amsterdam, London, Milan, Paris and Zurich. Rates in other centers: New York and Toronto rates at 4 P.M.
*a: To buy one pound; b: To buy one dollar. *Units of 100. N.Q.: not quoted. N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9999	Greek drac.	279.16	Mex. peso	6.083	S. Afr. rand	4.8604
Australian $	1.5347	Hong Kong $	7.7495	N. Zealand $	1.7212	S. Kor. won	1610.0
Austrian sch.	12.425	Hung. forint	201.56	Norw. krone	7.2387	Saud. riyal	7.7619
Brazil real	1.1129	Indian rupee	39.78	Phil. peso	39.50	Taiwan $	27.31
Chinese yuan	8.31	Indo. rupiah	5170.0	Polish zloty	3.50	Thai baht	44.15
Czech koruna	34.34	Irish £	0.6886	Port. escudo	181.26	Turkish lira	200550
Danish krone	6.7572	Israeli shek.	3.5347	Russ. ruble	5943.0	UAE dirham	3.671
Egypt. pound	3.4033	Kuw. dinar	0.3043	Saudi riyal	3.7505	Venez. bolív.	502.25
Fin. markka	5.3539	Malay. ring.	3.927	Sing. $	1.6692		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6660	1.6637	1.6613	Japanese yen	128.21	127.51	126.94
Canadian dollar	1.4248	1.4238	1.4227	Swiss franc	1.4350	1.4345	1.4340
Deutsche mark	1.7703	1.7672	1.7644				

Sources: ING Bank (Amsterdam); Cant Investment Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

The Spirit Of Christmas



WORLDWIDE MVGAS
"MMM - 96"
for those who can count their money!
The Project "Campaigner"
Our WWW-address in the Internet:
http: / / 195.5.141.10 or
http: / / www.volna.ru

CAPITAL MARKETS ON MONDAY

Asia's Crisis Likely to Keep Prices Volatile and Investors Seeking Safety

By Carl Gewirtz
International Herald Tribune

PARIS — The inability to quell Asia's financial woes and the fear that these problems must inevitably spread and infect business around the world are roiling global markets and driving money to the safe havens of government bond markets in the United States as well as Germany and the other European countries expected to join in a monetary union next year.

In Continental Europe, bond yields, which move down as prices go up, ended last week at modern lows with the benchmark German yield on 10-year paper at 5.25 percent.

In the United States, yields were at a four-year low and within a quarter point of testing modern lows.

These declines in long-term interest rates, now down about a third of a percentage point since the start of the fourth quarter, have sustained equity markets, although share prices are the most exposed to the continuing turmoil in Asia as a result of declines in corporate earnings. To date, U.S. and West European markets have moved more or less in tandem in reaction to Asia, but analysts warn that could change dramatically depending on if and how the crisis spreads. Infection of Russia and Eastern Europe would damage Western Europe, whereas contagion in Latin America would primarily hurt the United States.

Analysts agree that against a background of such uncertainty, it is inevitable that all asset markets will be gripped by instability that will be reflected in increased volatility of prices.

"This is not the time to take a long-term view, markets are going to remain too volatile," said the manager of one large investment fund.

Analysts attribute the widening loss of confidence to the fragility inherent in a problem that just does not seem to go away despite record sums of official lending arranged by the International Monetary Fund for South Korea as well as for Thailand and Indonesia.

There is also confusion about the inconsistency of policy actions and the appropriateness of policy prescriptions to address the problems.

Japan, for example, last week unveiled a U-turn in official policy, proposing to inject 2 trillion yen (about $15 billion) to stimulate the economy. However, at the same time, the Bank of Japan repeatedly intervened in the foreign exchange market to prevent a further weakening of the yen.

'This is not the time to take a long-term view,' a fund manager said. 'Markets are going to remain too volatile.'

"It's bizarre," remarked Brendan Brown, London-based analyst at Tokyo-Mitsubishi International. "Fiscal reflation has to include currency weakness. To buy yen to prevent that weakness is most counterproductive."

At the end of the week, the dollar closed at 129.28 yen but the Nikkei stock index was down a whopping 5.24 percent, hit by a new bankruptcy as well as fears that currency restraint would impair export prospects for domestic industry. The Nikkei 225 index ended the week at 15,314.89 and was itself a new source of worry as a fall below 15,000, it is believed, would wipe out the capital gains on banks' holdings of equities, further impair the ability and willingness of banks to lend and set the stage for a worsening credit crunch.

Most analysts project the yen should be trading close to 140 per dollar.

"Japan's reaction to its financial and real economy emergency has been consistent with the pattern of denial evident in Asia over the past six months," said John Makin at the American Enterprise Institute in Washington.

"First in Thailand, then in Indonesia, then in Korea, measures that were advertised as overkill," Mr. Makin said, quickly proved to be inadequate "because they failed to address the essence of the problem — that weak financial institutions needed to be closed before measures could be taken to stimulate the real economy."

But do they?

"I don't understand the logic of the IMF programs," said Charles Wyplosz at the Graduate Institute of International Studies in Geneva. "Why so much money and why such harsh macroeconomic restrictions when that's not the problem. The problem is in the financial system, and that's for national authorities to deal with — just as they did in the banking crises in the United States, Britain, Scandinavia, and just as they are now doing in Japan.

"It's for Koreans to decide what kind of financial system and what kind of industrial structure they want. The IMF is not a democratically accountable institution and is overstepping its competence by getting involved in these issues.

"I doubt the proposed solutions are appropriate," Mr. Wyplosz said, "and I'm not surprised the problems won't go away."

Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending Dec. 19. Prices supplied by Telekurs.

Rnk	Name	Cpn	Maturity	Price	Yield
Australian Dollar					
207	Queensland Tsy	6½	06/14/05	100.6820	6.4600
Austrian Schilling					
159	Austria	5¼	04/11/07	102.1000	5.6300
214	Austria	5⅝	07/15/07	101.3000	5.5500
Belgian Franc					
155	Belgium Tbills	zero	03/05/98	98.5543	6.4500
238	Belgium	7¾	12/22/00	108.3500	7.1500
British Pound					
138	World Bank	6	03/01/00	99.7500	6.0200
169	Canary Wharf A	7.2300	10/22/27	102.8750	7.0200
192	Aire Valley Fin	7.5443	11/04/39	99.6300	7.5700
211	EIB	7⅝	12/07/07	106.9141	7.1300
237	Aire Valley Fin	7.4743	11/04/39	99.7500	7.4900
242	World Bank	4¼	09/10/02	99.5654	4.2700
Canadian Dollar					
107	Canada	7½	12/01/03	109.6700	6.8400
141	Canada	6	03/15/98	100.5100	5.9700
175	Canada	7¼	06/01/07	110.8500	6.5400
246	Canada	7¼	06/01/03	107.9770	6.7100
Danish Krone					
10	Denmark	7	11/10/24	109.2400	6.4100
16	Denmark	7	11/15/07	108.9700	6.4200
27	Denmark	8	03/15/06	114.7800	6.9700
29	Denmark	6	12/10/99	102.4000	5.8600
40	Denmark	6	11/15/02	103.1500	5.8200
44	Denmark	9	11/15/00	110¾	8.1300
52	Denmark	7	12/15/04	108.2000	6.4700
62	Denmark	8	11/15/01	110.0800	7.2700
64	Denmark	9	11/15/98	104.1500	8.6400
75	Denmark	8	05/15/03	112.3000	7.1200
84	Nykredit	7	10/01/29	99.0000	7.0700
98	Nykredit	6	10/01/26	95.2500	6.3000
149	Denmark	6	02/15/99	101.7600	5.9000
153	Unikredit	7	10/01/29	98.4000	7.1100
173	Denmark	4	02/15/00	98.8100	4.0500
176	Realkredit	7	10/01/29	98.2000	7.1300
187	Denmark	7	02/15/98	100.4800	6.9700
231	Real Kredit	6	10/01/26	95.2000	6.3000
249	Real Kredit	7	10/01/29	98.8500	7.0800
Deutsche Mark					
1	Germany	6	07/04/07	104.6200	5.7400
2	Germany	6	01/04/07	104.5300	5.7400
3	Germany	8¾	08/20/01	113⅛	7.7300
6	Germany	4	09/17/99	99.6100	4.0200
7	Germany	6½	07/04/27	107.8500	6.0300
8	Germany	8¾	09/20/01	111.6895	7.3900
9	Germany	8	01/21/02	111½	7.1700
11	Germany	6¼	04/26/06	106.2000	5.8900
12	Germany	4½	08/19/02	98.3200	4.5800
13	Germany	7⅜	01/03/05	112.3500	6.5600
14	Germany	8	07/22/02	112.4200	7.1200
15	Treuhand	7⅜	12/02/02	110.0905	6.7000
17	Germany 94	6¼	01/04/24	104.7033	5.9700
18	Germany	4½	05/17/02	96.3911	4.6700
19	Germany	6	01/05/06	104.4900	5.7400
21	Bundesobligation	4½	02/22/02	98.7585	4.5600
22	Germany	6¾	09/15/99	104.1000	6.4800
23	Federal Tsy	3¾	03/19/99	99.4405	3.7700
24	Germany	6⅞	05/12/05	109.6800	6.2700
25	Treuhand	7⅛	01/29/03	109.4233	6.5100
26	Treuhand	7½	09/09/04	112.7933	6.6500
28	Germany	9	10/20/00	111.4533	8.0800
30	Germany	6½	10/14/05	107.6233	6.0400
34	Treuhand	7¾	10/01/02	111.4600	6.9500
35	Treuhand	6⅝	07/09/03	107.3900	6.1700
36	Germany	8½	02/20/01	111	7.6600
37	Treuhand	6⅞	06/11/03	108.5533	6.3300
39	Germany	6	02/16/06	104.5100	5.7400
41	Germany	8⅞	12/20/00	111.6500	7.9500
42	Germany	5	08/20/01	100.7800	4.9600
47	Germany	3½	06/18/99	99.0100	3.5300
48	Germany	4¾	11/20/01	99.8567	4.7600
51	Germany	6	09/15/03	104.8080	5.7200
53	Germany	5¼	02/21/01	101.6195	5.1700
55	Germany	6½	07/15/03	106.8900	6.0800
57	Germany	6	06/20/16	103.1500	5.8200
59	Treuhand	6⅜	07/01/99	103.1400	6.1800
60	Germany	7¼	10/21/02	109.7125	6.6100
61	Germany	3½	09/18/98	99.6700	3.5100
63	Germany	9	01/22/01	112.2400	8.0200
65	Germany	6½	03/15/00	104.3200	6.2300
67	Germany SP	zero	07/04/27	17	6.1700
68	Germany	5¼	08/22/00	103.0025	5.5800
69	Germany	5⅞	05/15/00	103.0900	5.7000
71	Germany	7⅛	12/20/02	109.3700	6.5100
73	Germany	5⅛	11/21/00	101.4600	5.0500
74	Treuhand	6¾	05/13/04	108.5000	6.2200
78	Treuhand	6½	04/23/03	106.7322	6.0900
79	Germany	5	05/21/01	100.9900	4.9500
81	Germany	6½	01/02/99	102.4600	6.3400
82	Treuhand	5	12/17/98	100.9400	4.9500
88	Germany	7½	11/11/04	112.9957	6.6400
89	Germany	7¼	01/20/00	105.6600	6.8600
90	Germany	6¾	07/15/04	108.7850	6.2000
91	Treuhand	6¼	07/29/99	103.1200	6.0600
93	Exim Bk Japan	5¾	12/10/07	101.2000	5.6800
96	Treuhand	6⅛	03/26/98	100.7541	6.0800
97	Treuhand	5	01/14/99	100.9550	4.9500
100	Germany	7	01/13/00	105.1200	6.6600
101	Treuhand	7	11/25/99	104.8975	6.6700
102	Saxonyanhalt	4⅞	12/11/17	99.7598	4.8900
104	Germany	6⅛	05/20/99	102.6400	5.9700
105	Treuhand	6	11/12/03	104.5575	5.7400
106	Germany	8½	08/21/00	109.7200	7.7500
108	Treuhand	6⅛	06/25/98	101.1400	6.0600
109	Germany	7	12/22/97	100.0600	7.0000
110	Germany	6¾	04/22/03	107.9380	6.2500
111	Germany Tbills	zero	04/17/98	98.8220	3.4600
113	Germany	8¾	05/22/00	109.5600	7.9900
115	Germany	6⅞	12/02/98	102.6400	6.7000
117	Germany	3½	12/18/98	99.5100	3.5200
121	Germany	6¼	12/21/98	102.3000	6.2300
126	Germany	8¾	05/21/01	111.3075	7.5200
129	Treuhand	5⅝	09/24/98	101.2600	5.5600
130	Germany	5¼	02/22/99	101.4500	5.3000
131	Germany	6⅞	02/24/99	103.1200	6.6700
134	Treuhand	6¼	03/04/04	105.9450	5.9000
142	Germany	6	02/20/98	100.3800	5.9800
148	Germany	6⅜	05/20/98	101.0600	6.3100
157	Germany	7¼	02/21/00	106.8200	7.2600
174	Germany	5¼	02/25/98	100.2700	5.2400
179	Germany	6¼	02/20/98	100.4225	6.2200
196	Germany	5⅝	05/28/99	102.1200	5.6300
197	Germany	8¾	07/20/00	110.0333	7.9500
205	Germany FRN	3.0480	09/30/04	99.1500	3.0700
209	Germany	6⅝	01/20/98	100.2767	6.6100
223	Germany	7	09/20/99	104.5000	6.7000
226	Belgium Olo	5¾	03/28/08	101.9217	5.6400
239	Germany SP	zero	01/04/07	61.9500	5.4200
241	Germany	5¾	08/20/98	101.2200	5.6800
Dutch Guilder					
43	Netherlands	6¼	07/15/98	101.2600	6.1700
46	Netherlands	5¾	02/15/07	103.3000	5.5700
76	Netherlands	9	01/15/01	112.1000	8.0300
85	Netherlands	8½	03/15/01	111.1000	7.6500
114	Netherlands	7½	04/15/10	118.3000	6.3400
116	Netherlands SP	zero	01/15/23	22.2500	6.1700
122	Netherlands	7½	01/15/23	122.1000	6.1400
124	Netherlands	6½	04/15/03	106.8500	6.0800
127	Netherlands	7½	06/15/99	104.5000	7.1800
128	Netherlands	6	01/15/06	104.9500	5.7200
132	Netherlands	8¼	02/15/02	112.3500	7.3400
137	Netherlands	6½	07/15/98	101.3500	6.4100
143	Netherlands	5¾	01/15/04	103.4500	5.5600
151	Netherlands	7	02/15/03	108.9500	6.4200
156	Netherlands	6¾	11/15/05	109.7000	6.1500
166	Netherlands	7¼	10/01/04	111.8000	6.4800
167	Netherlands	8¾	09/15/01	113¼	7.7300
172	Netherlands	7¾	01/15/00	106.4000	7.2800
184	Netherlands	7¾	03/01/05	115.20	6.7300
189	Netherlands	7	03/15/99	103.3000	6.7800
206	Netherlands	8¼	06/15/02	113.1000	7.2900
234	Netherlands	6¾	02/15/99	102.8000	6.5700
236	Netherlands	8½	06/01/06	121.7000	6.9800
ECU					
171	France OAT	5½	04/25/07	99.4000	5.5300
195	France OAT	6¾	04/25/02	106.3000	6.3500
198	France OAT	6	04/25/04	103.9500	5.7700
235	France BTAN	6	03/16/01	103.4100	5.8000
Finnish Markka					
185	Finland Serial s	7¼	04/18/06	111.2150	6.5200
French Franc					
80	France OAT	7¼	04/25/06	113.6900	6.3800
165	Cyberval FRN	3.4477	07/06/02	97.0874	3.5500
190	France OAT	7½	04/25/05	114⅝	6.5600
199	France OAT SP	zero	04/25/23	21.5500	6.2300
203	France OAT	6	10/25/25	101.7800	5.9000
212	France OAT	7¾	10/25/05	116.4300	6.6600
219	FranceOAT	5½	10/25/07	101.3400	5.4300
Italian Lira					
180	Mediobanca Intl	3½	01/02/01	105.2500	3.3300
202	Italy	7½	10/01/99	104.0100	7.2100
Japanese Yen					
194	Exim Bk Japan	2⅞	07/28/05	108.0000	2.6600
213	Mexico	5	08/17/98	101.1625	4.9400
230	Exim Bk Japan	4⅜	10/01/03	116⅛	3.7700
232	NTT	2½	07/25/07	103.0000	2.4300
245	CCCI	3	03/18/09	104.0924	2.8800
Spanish Peseta					
186	Spain Bonos	5¼	01/31/03	99.3210	5.2900
Swedish Krona					
87	Sweden 1036	10¼	05/05/00	110.4737	9.2800
94	Sweden 1037	8	08/15/07	114.5081	6.9900
158	Sweden	6	02/09/05	100.3770	5.9800
222	Sweden	9	04/20/09	123.2880	7.3000
227	Sweden	11	01/21/99	106.1540	10.3600
U.S. Dollar					
4	Brazil Cap S.L.	4½	04/15/14	87.3080	5.1500
5	Vneshcnmbk fm	6.7188	12/02/15	69.0000	9.7400
20	Brazil	10⅛	05/15/27	92.1833	10.9800
31	Argentina par L	5½	03/31/23	70.2500	7.8300
32	Argentina FRN	6 11/16	03/29/05	84.7968	7.8900
33	Brazil FRN	6 11/16	01/01/01	94.9375	7.1800
38	Brazil L FRN	6 11/16	04/15/06	80.5563	8.3000
45	Argentina	9¾	09/19/27	93.7647	10.4000
49	Mexico	11½	05/15/26	113.9358	10.0900
50	Russia	10	06/26/07	100.4111	9.9600
54	Argentina	11⅜	01/30/17	102.4583	11.1000
56	Depfa Bk FRN	5.7157	01/22/99	99.9580	5.7200
58	Venezuela	9¼	09/15/27	84.2240	10.9800
66	Brazil par ZI	5¼	04/15/24	66.8750	7.8500
70	Bulgaria FRN	6 11/16	07/28/11	72.5000	9.2200
72	Brazil S.L FRN	6¾	04/15/12	74.4400	9.0700
77	Venezuela FRN	6¾	12/18/07	87.4400	7.7200
83	Italy	6⅞	09/27/23	102.9037	6.6800
86	Mexico	6¼	12/31/19	80.5000	7.7600
92	Venezuela par A	6¾	03/31/20	83.0000	8.1300
95	Mexico FRN	6¼	12/31/19	80.5000	7.7600
99	ICI	6	03/05/99	99.8900	6.0100
103	Mexico	9⅞	01/15/07	101.7942	9.7000
112	Poland FRN	6 11/16	10/27/24	96.2500	6.9500
118	Brazil S.ZI FRN	6 11/16	04/15/24	76.7500	8.7100
119	Brazil S.L FRN	6¾	04/15/12	76.2441	8.8500
120	IBJ	6.6563	01/05/98	98.5151	6.7600
123	Brazil S.L FRN	6¾	04/15/09	75.2500	8.9700
125	Bgb Fin Ireland	6¼	03/19/01	100.1250	6.2400
133	Bulgaria FRN	6 11/16	07/28/24	73.3210	9.1200
135	Mexico	11¾	09/15/16	110¾	10.2700
136	Bulgaria	2¼	07/28/12	60.1250	3.7400
139	Quebec	5⅛	08/27/98	98.3195	5.2100
140	FEK	6½	02/06/02	99.6831	6.5200
144	Russia	9¼	11/27/01	93.1451	9.9300
145	ADB	6¼	10/28/02	100.3750	6.2300
146	Ecuador FRN	3¼	02/28/15	63.5239	5.1200
147	Denmark	5.9000	04/20/00	99.4300	5.9300
150	SEK	6⅛	10/02/00	100.0000	6.1300
152	GoldmnSa FRN	6.2875	12/10/02	99.3800	6.3300
154	Ontario	5⅛	08/27/98	98.3344	5.2100
160	Korea DevBank	7¼	05/15/06	87.8605	8.2500
161	Sweden	6⅛	12/03/02	100.3750	6.1000
162	Brazil Cbond S.L	4½	04/15/14	87.6149	5.1400
163	Argentina FRN	5⅞	04/01/01	102.9496	5.5200
164	Argentina FRN	6⅞	03/31/23	82.2500	8.3600
168	Argentina FRN	5.6875	09/01/02	113	5.0300
170	Argentina	11	10/09/06	103.3750	10.6400
177	Argentina	8⅜	05/09/02	95.2000	9.1900
178	Peru Pdi	4	03/07/17	62.7500	6.3700
181	Ecuador FRN	6 11/16	02/28/25	74.1900	9.0100
182	Mexico D FRN	6¾	12/28/19	91.8113	7.3500
183	Brazil	6	09/15/13	81.0000	7.4100
188	Venezuela FRN	6¾	03/18/07	89.8125	7.5200
191	Poland par	3	10/27/24	60.2500	4.9800
193	Credit Local	6½	02/18/04	101.1947	6.4200
200	Canada	6⅛	05/30/00	101.5494	6.4000
201	Energie Beheer	6¼	11/04/02	100.5000	6.2200
204	Argentina	8⅜	12/20/03	92.4147	9.0600
208	Mexico A FRN	6.6925	12/31/19	91.5000	7.3100
210	NAB FRN	6.2750	01/21/08	100.0000	6.2700
215	World Bank	7⅝	01/19/23	115⅜	6.5900
216	Mexico B FRN	6.6172	12/31/19	92.0469	7.1900
217	Canada	6⅛	07/15/02	100.5000	6.0900
218	Brazil L FRN	6 11/16	04/15/06	82.9785	8.0600
220	Panama FRN	4	07/17/16	80.5000	4.9700
221	SEK	5⅛	08/26/98	98.5604	5.2000
224	Brazil S.L FRN	6¾	04/15/09	83.4194	8.0900
225	Argentina FRN	6 11/16	03/29/05	83.5913	8.0000
228	Mexico FRN	6.9766	06/27/02	98.0000	7.1200
229	Brazil	8⅞	11/05/01	95.6681	9.2800
233	Poland Inter	4	10/27/14	84.6250	4.7300
240	Panama	8⅞	09/30/27	94.5835	9.3800
243	Ontario	6⅛	06/28/00	100.8242	6.0700
244	Ecuador par	3½	02/28/25	52.3750	6.6800
247	Bayerische LB	6⅝	06/25/07	103.1250	6.4200
248	Brazil L	4½	04/15/09	71.0833	6.3300
250	Credit Local	6½	07/16/01	100.8750	6.4400

Yields Tumbling for U.S. Treasuries

Record Lows Within Reach in Upcoming 'Quiet Week,' Analysts Say

Compiled by Our Staff From Dispatches

NEW YORK — Despite a shortened coming week with expected thin trading, the U.S. Treasury market could make new low yields with few players around to fight the rally, market players said.

The benchmark 30-year bond rose 5/32 on Friday, or $1.56 per $1,000 bond, to 102 30/32, pushing its yield down 1 basis point to 5.92 percent, matching the four-year low reached the previous Friday.

William Gross, who oversees $110 billion of bonds at Pacific Investment Management Co. in Newport Beach, California, said he saw 30-year yields falling to 5.5 percent in 1998. That would be the lowest since the government began regular bond sales in 1977; the record low now is 5.78 percent, set Oct. 15, 1993.

Christopher Rupkey, economist at Bank of Tokyo-Mitsubishi Bank in New York, said a new low yield could be hit this week.

"The target is 5.77 percent which could happen in a quiet week," Mr. Rupkey said, noting that the target level is the bond's record low yield made in October 1993.

"And there's nothing to keep us from rallying further," Mr. Rupkey said.

On Tuesday, the market gets the final revision of U.S. gross domestic product and new orders for durable goods, while on Wednesday personal income and spending is released.

The Treasury's auction of $15 billion in two-year issues will take place Monday and $11 billion in five-year notes on Tuesday, which will go "without help from retail," pointed out Patrick Dimick, a Treasury market analyst for UBS Securities in New York.

Tuesday's release of third-quarter GDP will be a "nonevent," as it is a revision, Mr. Dimick pointed out. The only number that qualifies as giving "one sprinkle" of new information is November durable goods, he said.

U.S. CREDIT MARKETS

"The consumption data should be important," Mr. Rupkey said, "but never is. It's the most comprehensive consumer we have and no one cares about it."

Although Mr. Dimick emphasized he did not believe the Fed could ease interest rates with the current unemployment rate so low, he said the market does not seem "all that far away from legitimate discussions of Fed easing."

David Ging, a fixed-income strategist at Donaldson, Lufkin & Jenrette, also described Friday's close as positive, with the 30-year long-bond through 5.92 percent and the 10-year at 5.73 percent, both old key resistance points in those issues.

Thirty-year bond yields have fallen about a half-percentage point since mid-October, when tumult in global financial markets sent investors fleeing to U.S. debt.

Now, "the flight to quality is continuing," said Neil DeSarno, co-head of government bond trading at CIBC Oppenheimer. "The U.S. bond market just doesn't want to go down."

At the Chicago Board of Trade, brokers and traders reported brisk business in the Treasury futures pit. "The tone is very, very good," said Michael Boss, a broker at Aubrey G. Lanston & Co. "International developments are taking precedence, and we've seen good buying of Treasuries."

Rod Davidson, who helps oversee $1 billion at Murray Johnstone Asset Management in Glasgow, Scotland, sees the Fed leaving interest rates unchanged in coming months as economic evidence rolls in detailing Asia's effect on the U.S. Next week, the government will report on November's durable goods orders and personal income and spending.

Slower growth could hurt holders of mortgage securities, who fear that falling interest rates will prompt more homeowners to refinance loans, pushing mortgage-backed securities into redemption. *(Market News, Bloomberg)*

International Bonds Set to Climb to a Record

By Carl Gewirtz
International Herald Tribune

PARIS — Despite a disastrous fourth quarter, when new issue volume fell to lows not seen since 1995, the international bond market is on target to eke out an annual gain of some 8 percent over last year and another record high, preliminary data supplied by Salomon Smith Barney show.

Not only were the riskier credits, and particularly issuers from emerging market economies, shut out of the market by the financial turmoil in Asia and its feared contagion, but investors were unnerved by the uncertainty over whether economic expansion in the United States and Western Europe were a harbinger of higher interest rates or whether the deflationary impulse coming out of Asia would keep rates low.

That uncertainty now appears clarified, said Robert DiClemente, a Salomon analyst. "With global growth now clearly slowing, the outlook for bond markets is bullish and activity should pick up next year." He expects long-term U.S. rates, now 5.91 percent, to slide to a modern low of 5.5 percent.

Michael Derks, an analyst at Deutsche Morgan Grenfell takes a more cautious view. On one hand, he is disconcerted by the "overwhelming consensus" that dismisses inflation as a threat despite accelerating U.S. wage growth and full employment, and on the other hand, he is concerned about the deflationary headwinds from Asia.

"A neutral position is prudent for now," Mr. Derks said.

But John Lipsky at Chase Manhattan Bank sees sharply reduced growth prospects for the United States because of the Asian crisis and expects the Federal Reserve Board to modestly cut rates in the latter part of next year — a move he believes will keep U.S. long-term rates within a range of 5 to 6 percent "on a sustained basis."

At the same time, he expects a trend toward deterioration in perceived credit quality that will "likely make the investment environment more difficult than it has been for many years because of prospective uncertainty about relative values in financial markets."

The most important test of investor attitudes on credit risk will be the forthcoming effort by the government of South Korea to tap the international market in its own for the first time. Previously, the government has used such state-owned enterprises as Korea Development Bank to borrow internationally.

After that bank failed a week ago to raise $2 billion at terms it deemed reasonable, the government appointed Goldman Sachs and Salomon to manage the maiden offering, which is expected to amount to $10 billion. The managers would not comment on the timing or whether it will be one issue or several broken into different maturities.

However, to tap the market, bankers said Korea will have to supply information that it so far has not revealed, including the total foreign liabilities of the public sector and the amount of liquidity and foreign reserves of the central bank.

Bankers insist that international investors, faced with record low interest rates in home government bond markets, will more than ever be obliged to maximize income by accepting longer-term paper, riskier paper such as structured bonds and paper from emerging markets. But the question of what price this will require remains to be determined.

The Week Ahead: World Economic Calendar, Dec. 22-26

A schedule of this week's economic and financial events, compiled for the International Herald Tribune by Bloomberg Business News.

	Asia-Pacific	Europe	Americas
Expected This Week	**Singapore:** Association of South East Nations ministerial meeting on haze. Monday and Tuesday **Tokyo:** Production estimates for the year beginning April due from Mitsubishi Motors and Honda.	**Madrid:** Budget deficit for November; trade balance data for October. **London:** Harmonized index of consumer prices for November.	**Buenos Aires:** HSBC Banco Roberts shareholders expected to approve company's acquisition by HSBC Holdings at special meeting. **Mexico City:** Foreign reserves data and inflation data for first half of December.
Monday Dec. 22	**Taipei:** Export orders data and industrial production index for November. **Wellington:** Tourism and overseas trade data for November.	**Copenhagen:** Consumer price index for November. **Oslo:** Preliminary retail sales data for November.	**Buenos Aires:** The Latin American Economic Research Foundation to release revised estimate of Argentine industrial production for November. **Ottawa:** International securities transactions data for October.
Tuesday Dec. 23	**Wellington:** Gross domestic product data and balance of payments for third quarter. **Earnings expected:** China Everbright, Dai-ichi Industries, HB International Holdings.	**Helsinki:** National accounts data for third quarter. **Stockholm:** Producer price index for November. **Vienna:** Consumer price data for November.	**Ann Arbor, Michigan:** University of Michigan to release its index of consumer sentiment for December. **Washington:** Initial estimate of economic growth for third quarter; durable goods orders data for November.
Wednesday Dec. 24	**Sydney:** Vehicle registration data for November. **Taipei:** M2 money supply and foreign exchange reserves for November. **Tokyo:** Vehicle production and supermarkets sales data for November.	Nothing scheduled.	**Ottawa:** Gross domestic product for October. **Washington:** Personal income and spending data for November. **New York:** Stock market trading halts at 1 P.M.
Thursday Dec. 25	**Tokyo:** Preliminary industrial production data for November; vehicle exports data for November, and housing starts, construction orders and public works contracts data for November.	Nothing scheduled.	Nothing scheduled.
Friday Dec. 26	**Tokyo:** Employment data for November and consumer price data for the Tokyo area for December. **Annual meetings:** Thakral, Pacific Can Investment.	Nothing scheduled.	**Caracas:** Money supply and international reserves data. **New York:** Stock market trading halts at 1 P.M. **Washington:** Federal Reserve Board to issue report on U.S. banks' commercial and industrial loans.

New International Bond Issues

Compiled by Laurence Desvilettes

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price end week	Terms
Floating Rate Notes						
Sardegna Nbr 1	$260	2002	0.19	100.00	—	Over 6-month Libor. Noncallable. Fees 0.20%. Denominations $100,000. (ABN—AMRO Hoare Govett.)
Annington Finance Nbr 4	£900	2023	0.40	98.40	—	Interest will be 0.40 over 3-month Libor until 2008, thereafter 1.00 over. Callable from 1999. Fees 0.60%. Denominations £10,000. (Nomura Int'l.)
Dexia France	FF1,000	2008	¼	101.285	—	Below TEC-10 index. Reoffered at 99.66. Noncallable. Fees 2%. Payable in Jan. (Societe Generale.)
World Bank	FF1,000	2009	0.85	101.49	—	Below TEC-10 index. Reoffered at 99.84. Noncallable. Fees 2%. Payable in Jan. (Societe Generale.)
Fixed-Coupons						
Annington Finance Nbr 4	£1,240	2022	zero	17.70	—	Noncallable. Also £1 billion due 2023 and priced at 15.58. Fees 0.25%. Denominations £10,000. (Nomura Int'l.)
World Bank	£300	2003	6½	100.724	99.35	Reoffered at 99.349. Noncallable. Fees 1¼%. Payable in Jan. (Dresdner Bank.)
Santander Int'l Finance	FF640	2005	5.13	100.00	—	Interest will be 5.13% until Feb. 2002, when issue is callable at par, thereafter 6.04%. Fees 0.35%. Payable in Jan. (Deutsche Morgan Grenfell.)
Deutsche Finance	ITL950,000	2038	zero	7.82	7.95	Yield 6.58%. Reoffered at 6.56. Callable at 14.78 in 2008. Proceeds 74 billion lire. Fees 0.25%. Payable in Jan. (Deutsche Morgan Grenfell.)
ING Bank	DFl,000	2008	5½	100.979	99.90	Reoffered at 99.354. Noncallable. Fees 2%. Payable in Jan. (ING Barings.)

Last Week's Markets

Stock Indexes

	Dec. 19	Dec. 12	% Ch'ge
United States			
DJ Indus.	7,754.29	7,838.30	−1.05
DJ Util.	264.75	261.27	+1.33
DJ Trans.	3,143.96	3,239.16	−2.94
S & P 100	450.51	454.48	−0.87
S & P 500	946.76	952.90	−0.64
S & P Ind	1,092.52	1,100.98	−0.77
NYSE Cp	497.39	499.78	−0.48
Nasdaq Cp	1,524.74	1,536.65	−0.78
Japan			
Nikkei 225	15,314.89	15,904.30	−3.71
Britain			
FTSE 100	5,020.20	5,045.20	−0.50
Canada			
TSE Indus.	6,535.30	6,631.00	−1.44
France			
CAC 40	2,822.90	2,830.26	−0.26
Germany			
DAX	4,084.75	4,082.60	+0.05
Hong Kong			
Hang Seng	10,405.81	10,614.66	−1.97
World			
MSCIP	932.47	922.81	+0.94

World index from Morgan Stanley Capital Int'l Perspective.

Money Rates

	Dec. 19	Dec. 12
United States		
Discount rate	5.00	5.00
Prime rate	8½	8½
Federal funds rate	5⅞	5⅝
Japan		
Discount	0.50	0.50
Call money	0.37	0.37
3-month interbank	1.00	0.92
Britain		
Bank base rate	7¼	7¼
Call money	7¼	7¼
3-month interbank	7⅝	7⅝
France		
Intervention rate	3.30	3.30
Call money	3⅝	3⅝
3-month interbank	3⅞	3⅞
Germany		
Lombard	4.50	4.50
Call money	3.38	3.76
3-month interbank	3.74	3.77

Gold	Dec. 19	Dec. 12	% Ch'ge
London p.m. fix $	288.90	283.00	+ 2.08

Euromarts

Eurobond Yields

	Dec. 19	Dec. 12	Yr high	Yr low
U.S. $, long term	6.17	6.18	7.09	6.17
U.S. $, mdm term	6.11	6.13	6.84	6.09
U.S. $, short term	6.07	6.06	6.51	5.95
Pounds sterling	7.00	7.06	7.75	6.90
French francs	5.03	5.03	5.34	4.66
Italian lire	5.56	5.55	7.79	5.55
Danish kroner	5.44	5.58	5.93	5.26
Swedish kronor	5.51	5.52	5.80	4.82
ECUs, long term	5.65	5.71	6.42	5.64
ECUs, mdm term	5.23	5.36	5.59	4.76
Can. $	5.78	5.84	6.51	5.36
Aus. $	6.39	6.29	7.86	5.89
N.Z. $	7.83	7.68	8.39	6.96
Yen	1.28	1.38	2.15	1.24

Source: Luxembourg stock exchange.

Weekly Sales

	Cedel Bk $	Cedel Bk Non$	Euroclear $	Euroclear Non$
Primary Market				
Straights	—	1,183.9	100.6	1,557.0
Convert.	20.1	—	41.4	8.0
FRNs	730.1	1,537.0	676.0	134.7
ECP	8,599.7	9,619.7	8,014.5	10,880.3
Total	9,349.9	12,340.6	8,832.5	12,580.0
Secondary Market				
Straights	22,284.5	21,082.4	94,945.2	29,757.5
Convert.	839.3	1,005.7	2,697.4	2,443.2
FRNs	14,874.3	7,235.0	50,755.1	8,943.1
ECP	9,955.7	15,920.1	25,354.7	41,429.8
Total	47,953.8	45,243.2	173,752.4	82,573.6

Source: Euroclear, Cedel Bank.

Libor Rates

	1-month	3-month	6-month
U.S. $	5⅞	5⅞	5⅞
Deutsche mark	3⅝	3¾	3⅞
Pound sterling	7⅝	7¾	7⅞
French franc	3½	3⅝	3¾
ECU	4⅜	4⅝	4½
Yen	1⅛	1	1

Sources: Lloyds Bank, Reuters.

صكذا من الأصل

Newfound Job Insecurity Changes Rules for Foreign Executives in Asia

By Erik Ipsen
International Herald Tribune

NEW YORK — Until recently, senior executives in Asian financial companies treated Kuan-Sing Young standoffishly. The executive recruiter found that it commonly took six weeks of intense cajoling over the phone just to wangle a face-to-face meeting with a potential target.

Now, Mr. Young says, those same executives not only take his first call, but also ask him if tonight is soon enough.

"They are not sitting on their high horses and playing hard to get anymore," said Mr. Young, who heads the East Asia region for the recruitment company Korn Ferry International in Singapore. He and others say that the collapse last month of Yamaichi Securities Co., Japan's fourth largest brokerage, has convinced even the most senior executives at the largest of companies that job security in Asia has suddenly become an oxymoron.

Fear is only one of a handful of factors that is making executives, particularly expatriates working far from home and headquarters, rethink their options.

Mounting anxiety among executives comes at the same time that most of their employers have begun to downsize their expectations for Asian growth and revenue and their need for expensive expatriate staff to manage operations. Big companies, said Pat Haro, chairman of the Singapore-based headhunters PHR Group Ltd., are not yet reeling in their foreign managers from Asia, "but they are discussing it."

Just as significantly, he noted that the Asian turmoil of recent months and the prospect of more to come had led many of those executives to consider the merits of leaving Asia for hotter opportunities elsewhere — including home.

"If there is not going to be a lot happening in Asia," Mr. Haro said, "then maybe these people would be better off back at headquarters or in another developing market where they can use more of their bandwidth."

Employers keen to employ all their capital, including personnel, where it will reap the richest rewards are likely come to similar conclusions. Many Asian recruiters say they expect a flood of résumés from expatriates looking to make long-distance moves after next month, once bonuses are paid out and safely banked.

Six months ago, the recruiters said, makers of everything from bulldozers to beverages expected 1998 to mark another year of Asian revenue gains of 20 percent to 40 percent or more. Current expectations of gains in the zero to 10 percent range represent an unaccustomed shock. Inevitably, costs at multinational banks and corporations will be brought back in line with expected revenues.

Some companies will buck that trend, seizing upon the turmoil to pick up operations at fire-sale prices. The computer service giant Electronic Data Systems Corp., for example, decided this month to snap up all 600 employees of the computer services arm of Yamaichi Securities.

While banks from Thailand to South Korea are laying off managers, foreign companies like Citibank and ABN-AMRO Bank have stepped up local hiring, eager to expand. Others, such as Credit Suisse Group, have bid for some of the region's failed banks and brokerages.

That sort of corporate bottom-feeding has sparked an explosion in demand for highly qualified mergers and acquisitions professionals. Also in great demand, though a bit late, are managers who can assess credit risk among Asian borrowers.

Among the losers, said Martin Tang, head of the Hong Kong office of the recruiting firm Spencer Stewart & Associates, are specialists in initial public offerings. At a time when investors are wary enough of seasoned Asian companies, interest in the fledgling variety has dried up.

Specialists in arranging project finance are also out of favor in this period when, as Mr. Tang said, "lots of projects are being canceled."

For those foreign workers who remain in place, the next two or three years promise to be tough. Once, having the rosiest picture to paint in annual results presentations back at headquarters was thought to come with the terrain in Asia. After being the envy of their peers, Mr. Haro said, executives based in Asia face the prospect of addressing colleagues "groaning in the back of the room about another bad year in Asia."

In coming months some of Asia's brightest and most upwardly mobile executives may decide they cannot afford to wait for the region's inevitable bounce back, even though most experts say Asia has rarely needed their talents more.

Some recruiters insist that there is nothing new about the shortage of talent. In retrospect, they say, one of the region's problems was that, even in the boom years, Asia had difficulty attracting and then holding the best people.

"I would say that for a long time there has been a shortage of high-quality talent working in the region," said Alan Hilliker, a consultant with Egon Zehnder in New York. Inevitable shortages born of nothing less than explosive growth rates were compounded, according to Mr. Hilliker and others, by fears among young executives that such volatile economies made for dangerous places to build long-term careers.

"There was always a mentality of make your money while the sun shines and then get out," Mr. Hilliker said.

A Puzzle Goes Global

Canadian Toymaker Relies on Exports

By Anthony DePalma
New York Times Service

VILLE ST. LAURENT, Quebec — When he stumbled on a simple way to make jigsaw puzzles in three dimensions, Paul Gallant knew he had a good idea. When he looked at the cost of developing that idea, though, he concluded that the Canadian market was just too small — that his only hope of turning a profit would be to focus on exports.

That is what Mr. Gallant did, and while he might have made it even if he had been content to stay within the Canadian borders, the route he took transformed his small Quebec company into a global success story, and his simple idea has made its mark in the $20 billion-a-year toy industry.

Go near a toy display anywhere in North America this Christmas and there is a good chance of running into one or more versions of Mr. Gallant's idea. His company, Wrebbit Inc., along with its new U.S. partner, Hasbro Inc., will turn out more than 10 million three-dimensional puzzles this year of buildings such as the Taj Mahal and the Tower of Pisa, as well as contemporary icons, such as the Millennium Falcon spaceship from "Star Wars."

In a high-tech age of electronic toys and whiz-bang video games, Wrebbit's Puzz 3D puzzles are resiliently old-fashioned, even if they are a true innovation. Jigsaw puzzles, a staple of gift giving since they were developed in the 1700s, have had their ups and downs, with their appeal enhanced occasionally by, say, presenting a mystery whose solution is found by completing the puzzle.

But the toy industry is cutthroat and capricious. One season's hits may bring yawns a season later.

"We've seen a lot of one-hit wonders," said Frank Reysen Jr., editor of Playthings Magazine. "The shelf life of even the best toys is notoriously short-lived. The challenge for a manufacturer is figuring out how to keep a toy alive for two to three years."

Wrebbit's puzzles — made of the type of foam used to insulate airliner cockpits, and selling for an average of about $30 — have quickly become a hit, with worldwide sales this year expected to surpass $100 million.

What makes Wrebbit's success even more striking is that not many new toys succeed. According to Gary Jacobson of Jefferies & Co., three out of five new toys fail, and the big manufacturers are introducing fewer and fewer new toys and games.

"Toys 'R' Us is reducing the number of products they carry," he said. "They are sticking with what is tried and true."

Without Mr. Gallant's pursuit of the export market, the puzzles might not have grown much.

Focusing on exports is fairly typical at ambitious Canadian companies, with international trade accounting for 40 percent of the country's gross domestic product of $76 billion Canadian dollars ($402.4 billion).



Christopher Morris/The New York Times

Paul Gallant with a puzzle of the Manhattan skyline, part of his Canadian company's efforts to win business south of the border.

Although the free trade agreements of the last decade have been hugely unpopular with unions and some businesses, Mr. Gallant is an outspoken cheerleader.

"In the business I'm in," he said, "the trade agreement has been fantastic."

The U.S. market has been vital to Wrebbit, with American sales making up 85 percent of the $100 million total this year. Wrebbit also recently started selling in Europe, and next year expects to be in Asia as well.

Manufacturing costs are about the same in Canada as in the United States, with a weakened Canadian dollar compensating for the difference in transportation costs and slightly higher wages in such heavily unionized cities as Montreal. But until the trade pact lowered or eliminated tariffs, exports to the United States carried a premium. And Canada's smaller market put restraints on local manufacturers.

"We were assuming 20,000 to 25,000 units" a year if the puzzles were released just in Canada, Mr. Gallant said. But at that volume, the puzzles would have cost twice as much.

Time to Look East Again?

By Thomas Fuller
International Herald Tribune

KUALA LUMPUR — As East Asia's stock market sell-off accelerated last month, a Singapore-based fund manager told television viewers he had learned one important lesson from the daily plunges: "When the elephants head for the exits, you don't stand in the way."

Comparing investors to a herd of angry elephants seemed apt at the time. Foreign fund managers had all but abandoned Southeast Asia. Even such free-market disciples as Michel Camdessus, managing director of the International Monetary Fund, spoke of the need to discourage "herd behavior."

But now, as markets hit 10-year lows, there

INVESTING

are signs that several fund managers are breaking from the herd — and tiptoeing back into East Asian markets.

For several weeks, Mark Mobius, head of Templeton Asset Management Ltd. in Singapore, has been making noises about how cheap Thai stocks are looking. The high-profile fund manager has also spoken with his feet, putting 12 percent of the $660 million he manages into Thailand.

Craig Hodge, a partner at Caspian Securities Ltd. in London, said some of his big clients, mainly pension funds, were cautiously buying Malaysian blue-chip stocks, intent on holding on to them for a few years.

"What you've found over the last few weeks was an overshoot on the down side," said Mr. Hodge. "Sentiment is slightly changing toward being worried about being too underweight."

These efforts are modest compared with the billions of dollars controlled by the mutual fund industry. But contrarian investors are nonetheless being applauded from the sidelines.

One such cheerleader is Paul Krugman, a professor of economics at the Massachusetts Institute of Technology who is best known for having predicted, before anyone would listen, that East Asia's growth was unsustainable.

Today Mr. Krugman says he is intrigued that money managers could have changed their views of East Asia so quickly. Just a few months ago they extolled the virtues of the Asian miracle and now they denounce regional economies as inefficient and badly managed.

In the current issue of Fortune magazine, Mr. Krugman describes a recent meeting he attended of fund managers who together control probably hundreds of billions of dollars.

"Several money managers argued that Asian markets have been oversold, but that one shouldn't buy in until those markets start to turn around," Mr. Krugman noted. "The obvious question was: If it becomes clear to you that the market has turned around, won't it be clear to everyone else?"

In other words, if you follow the herd and wait until everyone else piles into a market, how do you expect to make money?

With this in mind, a Singapore-based fund manager, OUB Asset Management Ltd., last month launched The Global Contrarian Fund, designed to find fundamentally strong stocks that have been oversold due to what it calls "extreme pessimism."

OUB says it tracked market performance of the world's major stock markets during the past 20 years and came up with a strategy to generate average returns of about 20 percent by taking this "contrarian stance."

But contrarian investing is clearly not for everyone. Foreign investors have good reason to be wary of East Asian markets these days.

For one, they must take into account local currency risk. Even if Indonesian stocks had doubled since May, for example, the rupiah's plunge would have erased the gains for investors whose portfolios are denominated in dollars.

TRADE: *Ghosts of Deficits Past Rise Out of Asia to Haunt U.S.*

Continued from Page 11

"It's a serious issue macroeconomically, and it's serious for the incomes of working families," said Thomas Palley, assistant director of public policy for the AFL-CIO.

After peaking at $153 billion in 1987, or about 3.3 percent of gross domestic product, during a period of widespread concern that the United States was ceding global economic leadership to Japan, the annual deficit in the trade of goods and services fell sharply in the early 1990s, largely because the United States fell into recession, pushing down demand for imports.

But from a low of $30 billion in 1991, the deficit has bounced back steadily, to $111 billion last year, or about 1.5 percent of GDP. The deficit has been running at roughly the same pace for this year but is expected to soar next year as the United States feels the full effect of the currency devaluations in Asia.

The effect on the economy could be considerable. Maury Harris, an economist at Paine Webber in New York, said he expected the rising trade deficit to cut eight-tenths of 1 percent from growth in gross domestic product next year. The economy has been growing this year at close to 4 percent. The administration's biggest trade concern now is that a cycle of "competitive devaluations" will set in, in which countries allow the value of their currencies to decline so that their goods remain competitive with those of their competitors. That has already happened in Southeast Asia, where there have been at least three major rounds of devaluations, the latest within the last week.

The worry now is that Japan will also allow its currency to devalue, responding to what has happened in Korea. "That is the scary scenario," a senior U.S. administration official said. "They make many of the same products — cars, steel, semiconductors. So the pressures in Japan to let the currency go are tremendous."

The yen got some welcome support from the Japanese government's plan, announced Wednesday, to lower taxes by $15.3 billion to spur economic growth. The move reversed the yen's steady slide against the dollar, but it is unclear whether the threat of further weakness in the Japanese currency has passed.

So far, the Japanese Finance Ministry has made good on its threat to intervene to keep the yen strong, but many traders think that Tokyo will eventually bow to pressure from its large manufacturers to allow a significant decline.

Until the last few months, the administration's chief concern has been the rising trade deficit with China. The imbalance with Beijing had begun to approach the kind of numbers ordinarily seen in trade with Japan, and already U.S. officials were issuing public warnings to the Chinese.

But China's currency is not fully convertible, so it has been left out of the devaluations that have struck the rest of Asia. Still, China is hardly likely to recede as a trade problem.

Administration officials said any downturn in exports to Asia or other parts of the world would be further evidence of why the United States should continue to work aggressively to open foreign markets.

But they said there was no quick and simple solution to any rise in the deficit driven by the Asian turmoil.

"Any increase in the trade deficit is not a function of trade policy, and it is not one that changes in trade policy can cure," said Charlene Barshefsky, the U.S. trade representative. "We're looking at a macroeconomic situation of tremendous proportions."

SHORT COVER

German Union Backs Strike in East

BERLIN — Steelworkers in Eastern Germany have voted to strike in January, the IG Metall union said Sunday.

The metalworkers union said 77.44 percent of its 5,381 voting members supported strike action in balloting completed Thursday through Saturday after demands for a 5 percent wage increase were rejected. The increase would have brought wages in line with those in Western Germany.

The union's regional chief, Hasso Duevel, said the strike would take place by Jan. 12. *(Reuters)*

U.S. Firms Grow More Optimistic

WASHINGTON — Business confidence in the U.S. economy increased in December for the second month in a row as companies stepped up plans to introduce products, according to an industry survey to be released Monday.

The Cahners Business Confidence Index rose to 66.2 in December from 65.4 in November, putting it "back on par with its year-ago level," said Kim Kennedy, a Cahners economist. The index is based on responses from almost 400 executives. A reading above 50 means that more expect business to pick up in the coming months than expect it to slow down. *(Bloomberg)*

Intel Chief Is Time's 'Man of Year'

NEW YORK — Chairman Andrew Grove of Intel Corp. has been named Time magazine's "Man of the Year," for his leadership in building the chipmaker into "one of the most powerful companies of our age."

"Technology happens," the Hungarian immigrant said in the issue that is due on newsstands Monday. "It's not good, it's not bad. Is steel good or bad?" *(Bloomberg)*

Allianz and Generali to Split AGF

PARIS — Allianz AG of Germany and Assicurazioni Generali SpA of Italy have agreed to split a third insurance company, Assurances Generales de France, between them.

Generali signed an agreement late Friday in which it agreed not to exceed the Allianz bid. That bid valued AGF shares at 320 French francs ($53.88) each, 20 francs more than the Generali bid. *(AFP)*



SOVEREIGN FINANCE GROUP
SWITZERLAND

24 hours FOREX DESK'
Financial consultancy, daily market comment
Inter banking rates, no commission
Individual credit line and special conditions

Investment strategies without risk
100% Capital return guarantee
High return on investment
Confidentiality guaranteed according to Swiss Law

Established 1977
Bahnhofstrasse 64, 8001 Zurich
Tel: 41 1 213 1881 Fax: 41 1 222 0830

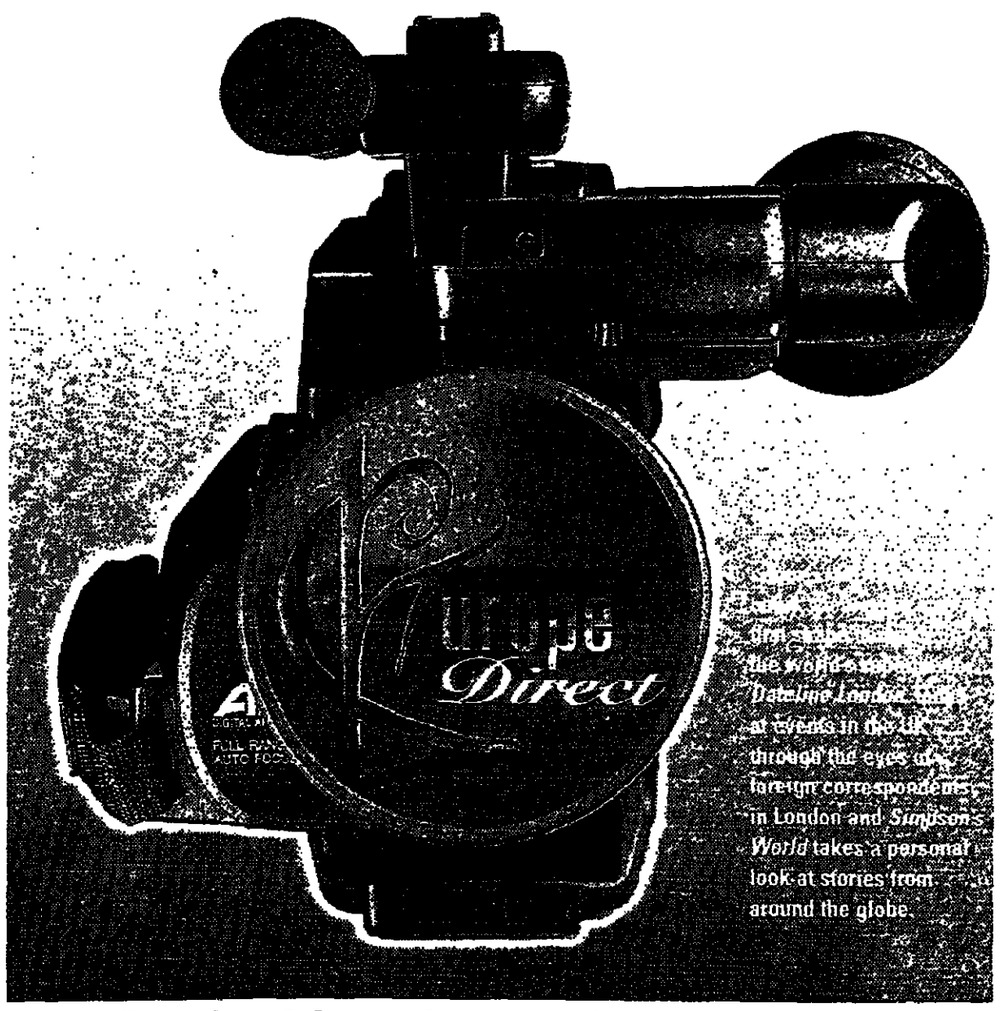
DO YOU LIVE IN AUSTRIA, BELGIUM, LUXEMBOURG OR SWEDEN ?

For information about subscribing call:
Austria 01 891 363 830
Belgium 0800 17538 (toll-free)
Luxembourg 0800 2703 (toll-free)
Sweden 020 797039 (toll-free).

International Herald Tribune
THE WORLD'S DAILY NEWSPAPER

New Programmes For The New Year

BBC WORLD



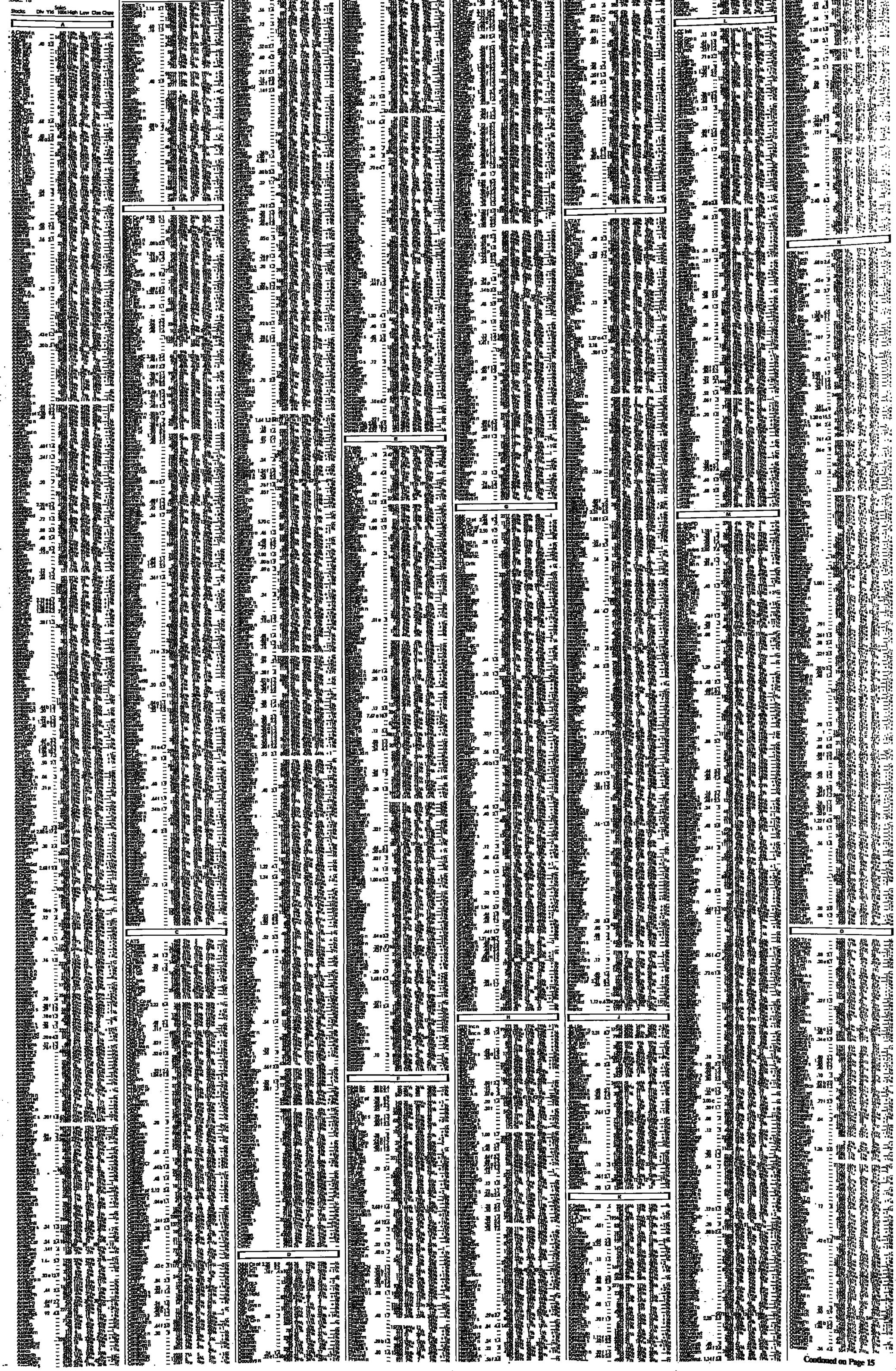
...at events in the UK through the eyes of foreign correspondents in London and *Sunrise's World* takes a personal look at stories from around the globe.

For advertising and sponsorship opportunities, contact:
Nick Carugati on (+44) 171 580 5420

BBC World is available for Continental Europe by Eurocom Channel Management Ltd. A consortium of BBC Worldwide Ltd., Pearson Television Ltd. and Cox Programming Ltd. BBC World is a trademark of the British Broadcasting Corporation. Not available in the UK.

NASDAQ NATIONAL MARKET

Consolidated prices for all shares traded during week ended Friday, Dec. 19



Continued on Page 15

two-month trial subscription. Save up to (80)%

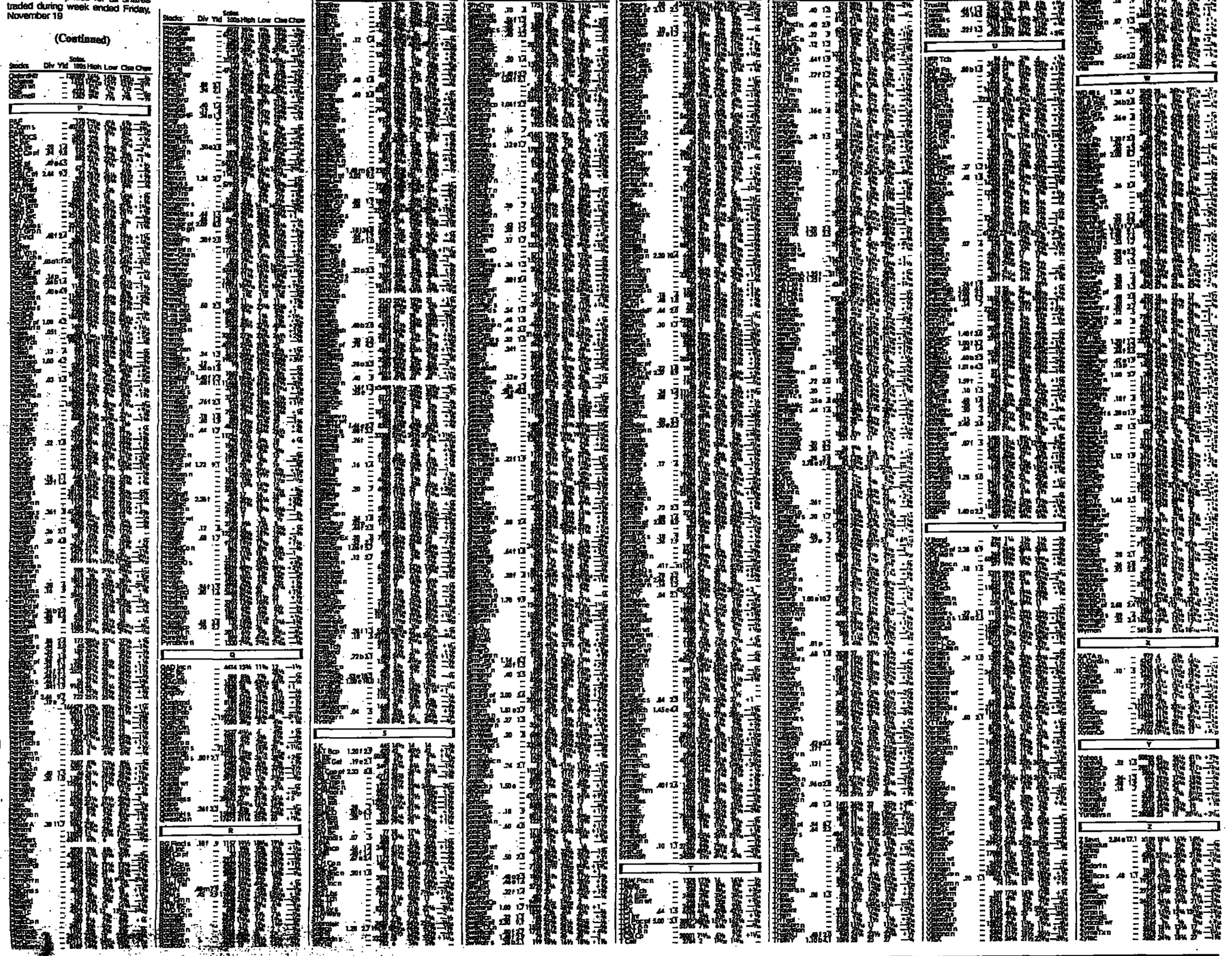
هكذا من الأصل

هكذا من الأصل

NASDAQ NATIONAL MARKET

Consolidated prices for all shares traded during week ended Friday, November 19

(Continued)



DENNIS THE MENACE



"IF 'OK' GOOD ENOUGH FOR MY GRANDPA, IS THAT GOOD ENOUGH FOR YOU?"

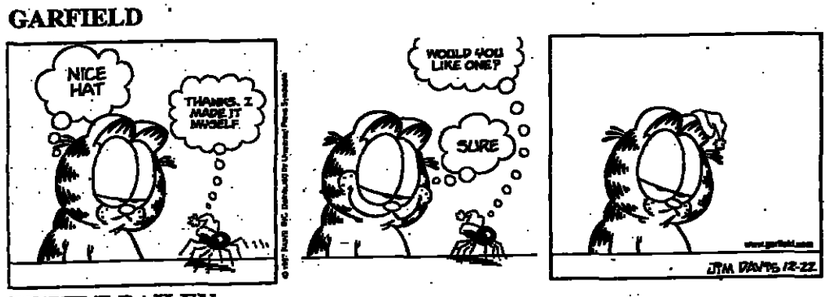
PEANUTS



CALVIN AND HOBBES



GARFIELD

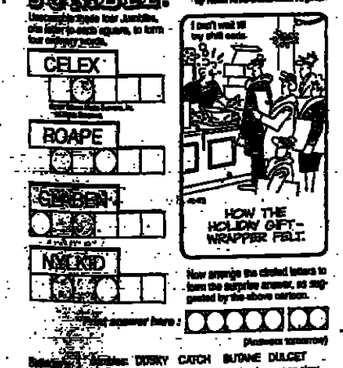


WIZARD of ID



JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

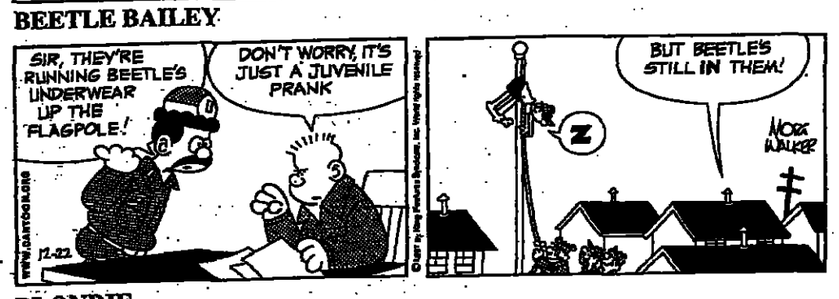


How arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

(Answers tomorrow)

Yesterday's Jumbles: DUSKY CATCH BUTANE DULCET
Answer: What the boss did when business was slow – CUT BACK

BEETLE BAILEY



BLONDIE



NON SEQUITUR

The Fortnight Before Christmas Part 1

T'was the fortnight before Christmas,
And all through the Pole,
El Niño arrived and left a big hole...



DOONESBURY



BUSINESS OPPORTUNITIES
Appears every Wednesday in The International Herald Tribune.
To advertise contact Nina Nieli in our London office:
Tel: +44 1 71 420 0325
Fax: +44 1 71 420 0338
or your nearest IHT office or representative.

A two-month trial subscription. Save up to 60%

Try a special, low cost 2-month trial subscription to the International Herald Tribune to enjoy delivery to your home or office every morning **AND** save up to 60% off the newsstand price.

COUNTRY	CURRENCY	2 MONTHS NEWSSTAND PRICE	2 MONTHS OFFER PRICE	DISCOUNT OFF COVER PRICE
AUSTRIA	ATS	1 456	650	55%
BELGIUM/LUXEMB.	BFR	3 380	1 350	60%
DENMARK	DKR	750	360	52%
FINLAND	FIM	522	210	60%
FRANCE	FF	520	210	60%
GERMANY	DEM	162	72	60%
GREAT BRITAIN	£	47	22	53%
HONG KONG	HK$	676	284	57%
ITALY	ITL	145 500	58 000	60%
JAPAN	¥	26 000	12 150	53%
MALAYSIA	RM	182	101	45%
NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	532	340	36%
SINGAPORE	S$	140	82	41%
SPAIN	PTAS	11 700	5 005	57%
SWEDEN	SEK	832	350	58%
SWITZERLAND	CHF	196	66	66%
USA	$	78	42	45%

FOR OTHER COUNTRIES PLEASE CONTACT YOUR NEAREST IHT OFFICE

Yes, I would like to start receiving the International Herald Tribune.
☐ My check is enclosed (payable to the IHT)
Charge my: ☐ Amex ☐ Diners ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard
For ex-US and Asian prices, credit cards will be charged in French Francs at current rates.
Card No: _____ Exp. Date: _____
Signature: _____
For business orders, indicate your VAT No. _____ (IHT VAT Number FR74732021126)
Mr/Mrs/Ms Family Name: _____
First Name: _____ Job Title: _____
Mailing Address: _____
City/Code: _____
Country: _____
Home Tel No: _____ Business Tel No: _____
E-Mail Address: _____
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other 22-12-97
☐ I do not wish to receive information from other carefully screened companies
Mail or fax to: International Herald Tribune
EUROPE, MIDDLE EAST & AFRICA
181 Ave. Charles de Gaulle, 92521 Neuilly Cedex, France
Fax: +33 1 41 43 92 10. Tel: +33 1 41 43 93 61
THE AMERICAS
850 Third Avenue, New York, N.Y. 10022-6275, USA
Fax: +1 212 755 8785. Tel: (toll free) 1-800-882-2884
ASIA
7/F Malaysia Bldg. 50 Gloucester Rd. Wanchai, Hong Kong
Fax: +852 2922 1199. Tel: +852 2922 1171
E-Mail: subs@iht.com – Asia: subshk@ihthk.com – Internet: www.iht.com
Offer valid for new subscribers only. HA7M

(Continued on Page 17)

SPORTS

A Day for the Undefeated to Fall

Inter Milan Loses to Udinese as Ajax Is Edged by PSV Eindhoven

Compiled by Our Staff From Dispatches

The German striker Oliver Bierhoff headed home a dramatic goal in second-half injury time in Rome on Sunday as Udinese beat Inter Milan, 1-0, handing the Italian league leaders their first loss of the season.

Bierhoff rose above the defense to nod home Jonathan Bachini's cross for his ninth goal of the year.

The loss dropped Inter Milan's record to 9 victories, 3 draws and 1 loss for 30 points, just a point ahead of Juventus of Turin. Juventus, the defending league champion and now the last unbeaten club, rolled past Empoli, 5-2, as Alessandro Del Piero registered a hat trick.

EUROPEAN SOCCER

Inter and Juventus are to meet in Milan on Jan. 4, when play resumes after the league takes its two-week holiday break.

Udinese is alone in third place with 26 points, followed by AC Parma — a 2-1 winner over Lecce — with 25.

Elsewhere Sunday, Fiorentina scored five goals for the second straight game and routed Atalanta of Bergamo 5-0; Brazil's Paulo Sergio scored the equalizer in the fifth minute of injury time as AS Roma salvaged a 1-1 draw at Brescia; Sampdoria of Genoa routed Napoli 6-3; Lazio of Rome thrashed Vicenza 4-0, and Bari and Piacenza drew 0-0.

With the striker Ronaldo playing for Brazil in the Confederations Cup in Saudi Arabia, and two key midfielders, Diego Simeone and Francesco Moriero, suspended, Inter rarely threatened Udinese's net.

The hosts' potent front line, with Bierhoff as the focal point, also had trouble breaking through a surprisingly stingy Inter backline. Bierhoff finally broke free of his marker in the 91st minute and came through with two of his specialties: a header and a significant goal.

Inter's coach, Gigi Simoni, said: "I have nothing to complain about, but it's a tough way to lose. There was a great strike in injury time, a strike by a great player. We made an error, and he took advantage."

NETHERLANDS The runaway Dutch league leaders, Ajax Amsterdam, were humbled Sunday when they lost a thrilling match, 4-3, at home to PSV Eindhoven for their first defeat of the season.

Ajax still leads second-place PSV by 15 points in the first division, but the defeat ended Ajax's 19 game unbeaten streak and opened some psychological doubts going into the winter break.

The home team controlled the game in the first half, but only managed a single goal from Shota Arveladze. Ajax let the match slip when PSV's Arnold Bruggink and Gilles de Bilde scored just before and after the break.

PSV remained ahead from then on, although strikes in turn from Bruggink, Ajax's Dean Gorre, PSV's Boudewijn Zenden and finally Ajax's Peter Hoekstra with three minutes to play kept the tension going until the end.

ENGLAND Andy Cole shrugged off the jeers of the fans who used to adore him to give Manchester United a 1-0 English Premier League victory at Newcastle on Sunday.

Cole, who left St. James Park almost three years ago, headed in the only goal of the game in the 67th minute to restore the champions' four point lead at the top of the league.

Just as important was the display of goalkeeper Peter Schmeichel, who made two brilliant saves to foil Newcastle. Newcastle has now gone five games without a victory and trails United by 18 points.

On Saturday, Roy Hodgson's Blackburn Rovers cruised to a 3-0 victory over West Ham, while Tottenham, helped by two goals from David Ginola, eased its worries about dropping down a division with a 3-0 victory over Barnsley.

Third-place Chelsea stayed in title contention with a 4-1 triumph at Sheffield Wednesday, while Leeds kept up its impressive recent form by downing lowly Bolton, 2-0. Everton, struggling near the bottom of the standings instead of challenging for the leadership, scored its first goal in five away games in a 1-0 victory at Leicester.

GERMANY The players of FC Kaiserslautern and Bayer Leverkusen celebrated news of contract extensions for their highly regarded coaches on Saturday by rolling to victories in the Bundesliga. Kaiserslautern edged FC Cologne, 3-2, while fourth-place Leverkusen routed Stuttgart, 6-1.

Both Kaiserslautern's Otto Rehhagel and Leverkusen's Christoph Daum have signed contracts extending their jobs to the middle of 2001, their teams announced at Saturday's matches.

The two coaches are widely regarded as having inspired losing teams to reach the Bundesliga's upper echelons and, in Daum's case, transform Leverkusen into a Champions League quarterfinalist.

(Reuters, AP)



Luca Bruno/The Associated Press

Oliver Bierhoff of Udinese, right, heading home the winner against Inter.

Brive and Bath In Rugby Final

Reuters

LONDON — Brive of France, the defender, and Bath of England will meet in rugby union's European Cup final after beating Toulouse and Pau, respectively.

Bath booked its place for the Jan. 31 showdown in Bordeaux with a 20-14 home victory Saturday, while Brive made it by virtue of scoring more tries than Toulouse in a battle that ended level at 22-22 after extra time Sunday.

Flyhalf Christophe Lamaison put Brive through with a penalty three minutes from the end of the extra period. The kick made it 22-22 and sent Brive, which scored two tries to the 1996 champions' one, through to the final.

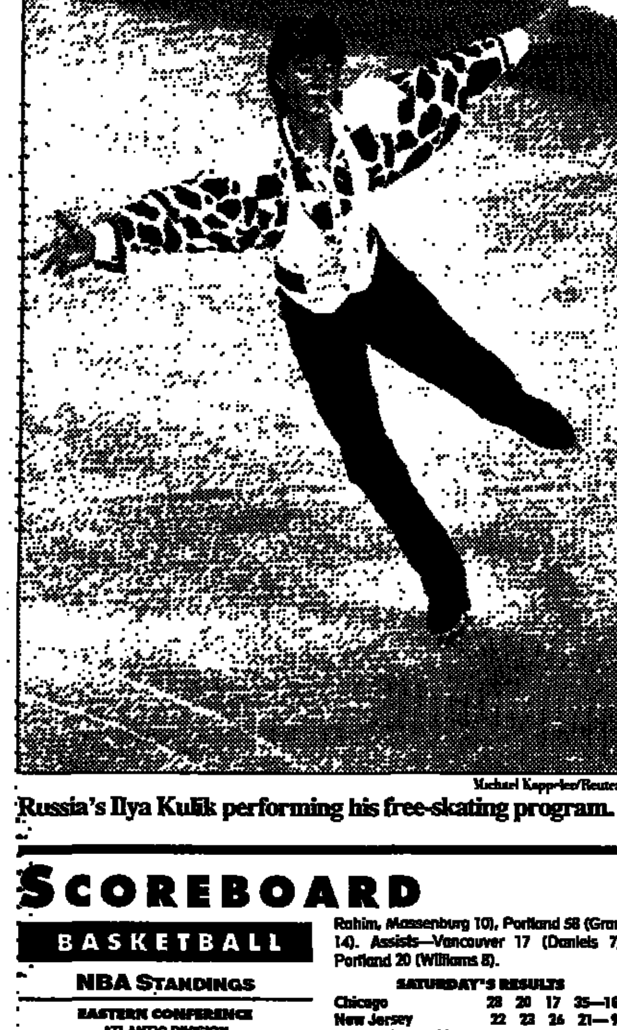
A solitary try from former England prop forward Victor Ubogu and five penalties from fullback Jon Callard gave Bath a victory against Pau.

Next month's final will be the third encounter between Brive and Bath this season. Bath won the first at home, 27-25, and Brive won in France, 29-12.

■ **Italy Crushes Ireland, 37-22**

Flyhalf Diego Dominguez scored 27 points as Italy defeated Ireland, 37-22, in a rugby union test match Saturday, strengthening its case for membership in the Five Nations championship, The Associated Press reported from Bologna. Dominguez scored a try and kicked six penalties and two conversions.

Lipinski and Kulik Prove Their Points



Michael Kappeler/Reuters

Russia's Ilya Kulik performing his free-skating program.

By Jere Longman
New York Times Service

MUNICH — Tara Lipinski of the United States and Ilya Kulik of Russia urgently needed to skate clean, long programs. Lipinski to prove she could climb back to the top, Kulik to show that he had finally made the ascent from vast potential to dependable accomplishment.

Both skaters took first place honors on Saturday with inspiring performances at the Champion Series Final, the last major international preview before the 1998 Olympic Winter Games in February in Nagano, Japan.

First place was worth $50,000 apiece and an uncountable sum in terms of confidence and worldwide standing.

Lipinski, 15, won the 1997 world championship last March, but she had finished second in both Olympic-style competitions this season, and had come under increasing scrutiny for a flawed lutz jump. But Saturday, she responded coolly under great pressure to defeat the German champion, Tanja Szewczenko, who had skated just before her in front of a loud hometown audience.

Szewczenko has made a remarkable return to skating after a severe viral infection kept her out of competition for 18 months. Though she suffered Saturday from tonsillitis, she landed seven triple jumps for the first time in her career to temporarily assume first place.

Then it was up to Lipinski, the final skater. This was a crucial performance.

If she skated her best, the judges would have a clear choice to make between the 20-year-old Szewczenko and the teenage Lipinski. If they chose Szewczenko, and Lipinski lost for a third consecutive time, the circulating idea that she was too young to win would have gained currency and potentially diminished her Olympic chances.

"After her skate, it was hard to get my concentration back," Lipinski said. "I told myself, 'This is what I want to do; I have control over it.'"

Lipinski had won the short program on Friday, and she would also win the long program, which counted for two-thirds of the scoring. She delivered a faster, more fluid routine than Szewczenko and she landed more difficult jumps, including her trademark triple loop.

She received four marks of 5.9 for technical merit — her highest of the season — and 5.8s and 5.9s for artistry, winning first place from five of the seven judges.

"It was very important," said Lipinski, who lives and trains in Bloomfield Hills, Michigan. "I had confidence in my long program, but I had to go out and do it."

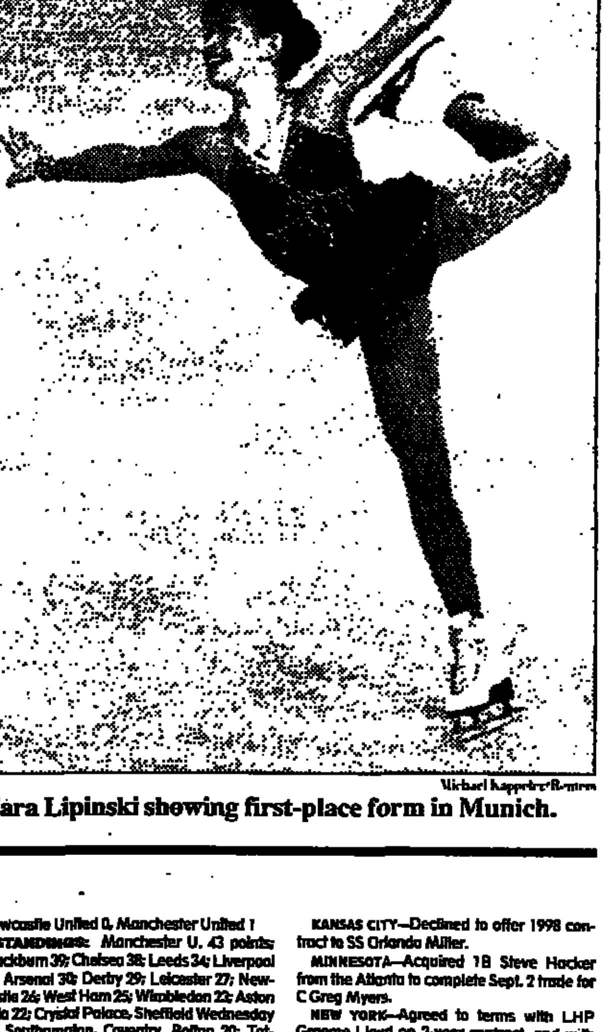
Her victory was tempered by the absence of her main rival, Michelle Kwan, who is recovering from a stress fracture in her left foot. But Lipinski will now enter the U.S. national championships in Philadelphia in two weeks, confident that the judges will award her high marks when she deserves them and that if Kwan makes a mistake, she can overtake her.

In men's skating, there had never been any question about Kulik's marvelous jumping ability, only about his reliability.

Kulik made his international debut in 1995 to win the European championship. He won a silver medal at the 1996 world championships, but remained erratic in the long program.

On Saturday, the 20-year-old Russian, who lives and trains in Marlboro, Massachusetts, skated a wonderfully elegant, unhurried performance to defeat the three-time world champion, Elvis Stojko of Canada. Todd Eldredge of the United States finished third in a performance that was encouraging after an early season of injury and frustration.

Kulik stumbled and put both hands to the ice on his opening attempt at a quadruple jump, but from then on he was nearly flawless during his four-and-half-minute routine, landing eight triple jumps with great height and ease. "He jumps like a god," Brian Boitano has said of Kulik.



Michael Kappeler/Reuters

Tara Lipinski showing first-place form in Munich.

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Miami	17	8	.680	—
Orlando	16	10	.615	1½
New York	15	11	.577	2½
New Jersey	13	11	.542	3½
Washington	13	14	.481	5
Boston	11	12	.478	5
Philadelphia	6	18	.250	10½

CENTRAL DIVISION

	W	L	Pct	GB
Atlanta	19	7	.731	—
Indiana	17	8	.680	1½
Chicago	16	9	.640	2½
Charlotte	15	9	.625	3
Cleveland	15	9	.625	3
Milwaukee	12	13	.480	6½
Detroit	12	15	.444	7½
Toronto	3	23	.115	16

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
Houston	14	8	.636	—
Utah	15	9	.625	—
San Antonio	15	10	.600	½
Minnesota	11	13	.458	4
Vancouver	9	17	.346	7
Dallas	5	20	.200	10½
Denver	2	22	.083	13

PACIFIC DIVISION

	W	L	Pct	GB
Seattle	21	5	.808	—
L.A. Lakers	20	6	.769	1
Phoenix	15	8	.652	4½
Portland	14	9	.609	5½
Sacramento	9	17	.346	12
Golden State	5	18	.217	14½
L.A. Clippers	5	21	.192	16

FRIDAY'S RESULTS

Charlotte 19 31 21 24— 86
Washington 22 28 26 20—106

C: Curry 6-12 0-0 14, Rice 5-16 2-2 13, Reid 3-9 7-9 13; W: Howard 11-18 4-4 26, Webber 11-22 1-1 24. Rebounds—Charlotte 45 (Divac 9), Washington 52 (Webber 19). Assists—Charlotte 21 (Mason 4), Washington 34 (Strickland 15).

Detroit 17 16 22 35— 90
Indiana 23 21 28 26— 98

D: Stackhouse 13-20 7-7 33, B.Williams 12-21 1-3 25; I: Smits 8-19 4-4 20, Miller 4-10 8-9 17. Rebounds—Detroit 40 (B.Williams 14), Indiana 44 (D.Davis 10). Assists—Detroit 20 (Hill 7), Indiana 30 (Jackson 9).

L.A. Lakers 36 23 12 27— 98
Atlanta 32 27 15 22— 96

L.A. Lakers: Bryant 7-16 4-6 19, Campbell 5-8 8-9 18; A: Smith 10-28 2-3 25, Laettner 6-11 6-6 18. Rebounds—Los Angeles 53 (Horry 8), Atlanta 53 (Laettner, Blaylock 9). Assists—Los Angeles 18 (Van Exel 7), Atlanta 19 (Blaylock 9).

New York 24 28 21 31—104
Cleveland 29 20 13 15— 77

N.Y.: Ewing 9-14 4-5 22, Houston 4-9 4-4 13, Starks 5-13 2-5 13; C: Ilgauskas 7-14 2-2 16, Anderson 5-9 6-7 16. Rebounds—New York 44 (Ewing 10), Cleveland 50 (Ilgauskas 13). Assists—New York 28 (Ward 6), Cleveland 21 (Knight 11).

Milwaukee 20 32 14 24— 91
Toronto 28 26 19 27— 92

M: Gilliam 8-13 7-10 23, Robinson 8-23 4-5 21; T: Stoudamire 13-25 8-10 36, Miller 7-10 2-2 16. Rebounds—Milwaukee 50 (Johnson 8), Toronto 50 (Camby 14). Assists—Milwaukee 24 (Robinson, Perry 5), Toronto 20 (Stoudamire 8).

Miami 26 25 18 22— 91
Philadelphia 24 21 19 20— 84

M: Hardaway 9-17 4-7 22, Lenard 6-12 3-3 19; P: Thomas 5-13 6-8 17, Ratliff 8-10 1-3 17. Rebounds—Miami 56 (Mourning 13), Philadelphia 50 (Coleman 8). Assists—Miami 24 (Hardaway 14), Philadelphia 17 (Thomas 4).

Sacramento 29 22 26 21— 98
Houston 20 29 30 37—116

S: Richmond 11-20 2-2 24, Williamson 7-18 3-4 17; H: Willis 9-17 10-11 28, Barkley 11-17 1-3 23. Rebounds—Sacramento 39 (Stewart, Polynice 8), Houston 50 (Barkley 16). Assists—Sacramento 29 (Williamson 6), Houston 23 (Barkley 6).

Vancouver 21 19 25 26— 91
Portland 18 17 27 34— 96

V: Abdur-Rahim 9-21 7-11 25, Reeves 9-11 0-0 18; P: Rider 10-20 6-7 31, Grant 6-13 7-7 19. Rebounds—Vancouver 56 (Abdur-Rahim, Massenburg 10), Portland 58 (Grant 14). Assists—Vancouver 17 (Daniels 7), Portland 20 (Williams 8).

SATURDAY'S RESULTS

Chicago 28 20 17 35—100
New Jersey 22 23 26 21— 92

C: Jordan 10-23 4-5 24, Harper 8-14 3-3 19; N.J.: Van Horn 7-16 4-7 20, Kittles 7-15 4-5 19. Rebounds—Chicago 50 (Rodman 24), New Jersey 46 (Williams 17). Assists—Chicago 22 (Rodman 5), New Jersey 15 (Cassell 7).

Washington 29 23 18 24— 94
Toronto 24 25 21 22— 92

W: Webber 13-23 2-5 28, Strickland 8-16 2-4 18; T: Camby 8-14 2-2 18, Stoudamire 7-19 4-4 18. Rebounds—Washington 55 (Webber 12), Toronto 39 (Stoudamire 7). Assists—Washington 29 (Howard 7), Toronto 30 (Stoudamire 8).

Indiana 23 24 28 20— 95
Orlando 24 14 24 30— 92

I: Jackson 6-9 5-6 18, Mullin 7-13 3-4 18; O: Seikaly 12-27 13-18 37, Grant 7-17 0-0 14. Rebounds—Indiana 45 (D.Davis 9), Orlando 57 (Grant 15). Assists—Indiana 22 (Jackson 8), Orlando 13 (Price, Armstrong 3).

Atlanta 25 24 18 25— 92
Miami 27 22 29 21— 99

A: Smith 7-21 8-9 23; Mutombo 4-8 11-12 19; M: Mourning 9-16 3-6 21; Hardaway 7-16 2-2 18, Austin 6-8 6-9 18. Rebounds—Atlanta 52 (Mutombo 15), Miami 50 (Mourning 12). Assists—Atlanta 16 (Recasner 11), Miami 29 (Hardaway 13).

LA Lakers 26 38 26 27—109
Charlotte 30 24 24 22—100

L.A.Lakers: Van Exel 9-17 3-6 24, Jones 7-11 2-2 19; C: Rice 11-20 6-8 32, Mason 7-11 5-6 19. Rebounds—Los Angeles 43 (Blount 8), Charlotte 46 (Divac 18). Assists—Los Angeles 29 (Van Exel 11), Charlotte 25 (Wesley 8).

Philadelphia 20 24 18 16— 78
Detroit 16 35 31 33—115

P: Coleman 6-12 4-6 16, Jackson 4-10 4-4 13; D: J.Williams 8-10 6-10 22, Stackhouse 5-14 9-10 20. Rebounds—Philadelphia 51 (Coleman 8), Detroit 65 (Montross 14). Assists—Philadelphia 19 (Jackson 6), Detroit 22 (Hunter 7).

LA Clippers 20 20 28 23— 91
Minnesota 20 30 15 27— 92

L.A. Clippers: Martin 6-15 1-1 16, Murray 5-10 5-5 15, Wright 6-16 3-3 15, Rogers 6-14 0-0 15; M: Gugliotta 11-17 2-5 24, Garnett 7-13 6-7 20. Rebounds—Los Angeles 56 (Wright 22), Minnesota 49 (Garnett 14). Assists—Los Angeles 23 (Martin 7), Minnesota 31 (Marbury 16).

Sacramento 23 21 21 21— 89
Dallas 29 24 13 22— 88

S: Williamson 10-17 7-10 27, Richmond 8-18 1-2 20; D: Scott 8-17 1-1 21, Walker 7-12 4-4 18. Rebounds—Sacramento 43 (Williamson 10), Dallas 52 (Green 10). Assists—Sacramento 20 (Johnson 6), Dallas 22 (Pack 8).

Houston 24 16 23 24— 87
San Antonio 28 27 22 23—100

H: Drexler 9-18 7-8 26; Barkley 9-16 4-5 22; S.A.: A.Johnson 10-13 1-3 21, Elliott 7-14 2-4 20, Duncan 9-14 2-6 20. Rebounds—Houston 52 (Barkley 14), San Antonio 54 (Duncan 10). Assists—Houston 10 (Drexler, 3), San Antonio 54 (A.Johnson 10).

Phoenix 23 24 22 23—102
Denver 26 12 26 17— 81

P: Nash 9-17 0-0 20, Manning 6-8 3-4 15; D: Battie 4-11 6-7 14, Washington 5-11 2-2 14. Rebounds—Phoenix 62 (Kidd 12), Denver 44 (Garrett 9). Assists—Phoenix 27 (Nash 9), Denver 18 (Jackson 5).

New York 21 13 21 23— 78
Milwaukee 20 24 27 27— 98

N.Y.: Houston 6-13 2-2 15, Ewing 4-9 4-6 12, Childs 3-12 6-6 12; M: Allen 11-18 8-8 35, Robinson 10-20 7-9 27. Rebounds—New York 46 (Ewing 9), Milwaukee 53 (E.Johnson 10). Assists—New York 18 (Ward 7), Milwaukee 19 (Perry 5).

Golden State 16 20 22 31— 89
Seattle 29 23 31 25—108

G.S.: Delk 10-19 0-0 20, Dampier 6-11 3-7 15; S: Schrempf 7-14 4-5 20, Baker 6-11 7-11 19. Rebounds—Golden State 53 (Dampier 8), Seattle 60 (Schrempf 9). Assists—Golden State 24 (Coles 8), Seattle 27 (Payton 11).

MAJOR COLLEGE SCORES

North Carolina 81, Florida State 73
Kansas 94, Texas Christian 78
Kentucky 74, Tulsa 53
South Carolina 77, St. Josephs 65
Utah 69, Oregon State 61
Purdue 86, Xavier 84
UCLA 73, Saint Louis 67
Connecticut 93, North Carolina-Wilmington 55
New Mexico 81, Texas Tech 62
Rutgers 72, Temple 63
Mississippi 106, Prairie View 59
West Virginia 86, Georgia 81
Michigan 87, Chattanooga 53
Syracuse 71, UNLV 64

TOURNAMENT FINALS

HAWAII-NIKE FESTIVAL

Hawaii 81, Santa Clara 72

UNO CHRISTMAS CLASSIC

New Orleans 72, George Mason 63

ICE HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
New Jersey	23	10	1	47	106	67
Philadelphia	20	9	7	47	101	78
Washington	16	13	7	39	103	98
N.Y. Islanders	15	15	5	35	97	92
N.Y. Rangers	10	15	12	32	96	103
Florida	12	19	5	29	88	108
Tampa Bay	7	21	6	20	62	105

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Pittsburgh	18	11	8	44	100	88
Montreal	19	14	4	42	107	90
Boston	16	14	6	38	91	92
Ottawa	15	17	4	34	88	86
Carolina	13	18	5	31	92	100
Buffalo	11	16	6	28	81	93

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Dallas	24	9	4	52	118	77
Detroit	20	9	7	47	118	91
St. Louis	21	12	4	46	109	86
Phoenix	14	16	6	34	97	102
Toronto	12	17	5	29	78	93
Chicago	11	17	7	29	77	86

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	18	8	11	47	110	93
Los Angeles	14	14	6	34	101	97
San Jose	13	18	4	30	87	98
Anaheim	12	17	6	30	80	107
Edmonton	11	17	8	30	83	103
Vancouver	11	20	5	27	103	122
Calgary	10	20	7	27	93	111

FRIDAY'S RESULTS

Montreal 0 0 0—0
Buffalo 0 1 0—1

1st Period: None. 2d Period: B-Audette 8 (Varada, Plante) 3d Period: None. Shots on goal: M- 10-15-17—42. B- 11-5-4—20. Goalies: M-Moog. B-Hasek.

New Jersey 1 0 3—4
Detroit 1 0 4—5

1st Period: N.J.-McKay 11, 2, D-Lidstrom 12 (Yzerman, Murphy) (pp). 2d Period: None. 3d Period: N.J.-Niedermayer 6 (Gilmour, Ralston) (ppl). 4, D-Brown 8 (Golubovsky, Dandenault) 5, N.J.-Niedermayer 7 (Ralston, Gilmour) (pp). 6, D-Lidstrom 13 (Kozlov, Brown) 7, D-Brown 9 (Golubovsky, Dandenault) 8, N.J.-Thomas 5 (Holik, McKay) (pp). 9, D-Brown 10 (Kozlov) Shots on goal: N.J.- 8-9-14—31. D- 10-10-12—32. Goalies: N.J.-Brodeur. D-Osgood.

Pittsburgh 0 3 0 0—3
Colorado 0 3 0 0—3

1st Period: None. 2d Period: C-Sakic 17 (Deadmarsh, Ozolinsh) (pp). 2, P-Valk 2 (Wright, Moran) 3, P-, Olausson 3 (Francis, Jagr) 4, P-Barnes 10 (Slegr, Jagr) 5, C-Forsberg 14 (Ozolinsh, Roy) (pp). 6, C-Deadmarsh 11 (Lemieux, Odgers) 3d Period: None. Overtime: None. Shots on goal: P- 7-13-8-1—29. C- 6-15-14-4—39. Goalies: P-Barrasso, C-Roy.

Phoenix 3 3 0—6
Anaheim 0 0 2—2

1st Period: Phoenix, Petit 1 (Quint, Roenick) (pp). 2, Phoenix, Tkachuk 18 (Roenick, Ronning) (pp). 3, Phoenix, Stapley 2 (Tocchet, Quint) (pp). 2d Period: Phoenix, Tkachuk 19 (Gartner, Gagnon) 5, Phoenix, Ronning 4 (Roenick, Tocchet) 6, Phoenix, Tocchet 13 (Gartner, Roenick) (pp). 3d Period: A-Kariya 4 (Selanne, Todd) (pp). 8, A-Sacco 4 (Cullen, Stevenson) Shots on goal: Phoenix 10-10-13—32. A- 8-11-13—32. Goalies: Phoenix, Waite. A-Shtalenkov.

SATURDAY'S RESULTS

Florida 0 0 0—0
Philadelphia 1 1 0—2

1st Period: P-Brind'Amour 14 (Lindros, Coffey) (pp). 2d Period: P-Lindros 16 (Coffey, Brind'Amour) (pp). 3d Period: None. Shots on goal: F- 6-3-5—14. P- 11-9-5—25. Goalies: F-Vanbiesbrouck. P-Snow.

N.Y. Rangers 1 0 1 0—2
Tampa Bay 0 0 2 0—2

1st Period: New York, Stevens 9 (Gretzky, Laetch) (pp). 2d Period: None. 3d Period: T-Langkow 3 (Ciccarelli, Poulin) 3, T-Selivanov 8 (Ysebaert, Zamuner) 4, New York, Sweeney 9 (LaFontaine) Overtime: None. Shots on goal: New York 17-9-13-2—41. T- 5-11-14-2—32. Goalies: New York, Richter. T-Puppa.

Los Angeles 3 0 1—4
Calgary 0 0 1—1

1st Period: L.A.-Blake 6 (Perreault, Galley) (pp). 2, L.A.-Stumpel 10 (Zmolek) 3, L.A.-Murray 9 (Blake, Norstrom) (pp). 2d Period: None. 3d Period: C-Hulse 4 (Ward, Dingman) 5, Los Angeles, Perreault 17 (Laperriere) (en). Shots on goal: L.A.- 9-6-6—21. C- 11-11-15—37. Goalies: L.A.-Fiset. C-Tabaracci, Roloson.

NY Islanders 1 2 0—4
Boston 1 2 0—3

1st Period: B-Khristich 11 (Van Impe, Carter) 2, New York, Chorske 6 (Bertuzzi, Smolinski) 2d Period: New York, Palffy 17 (Smolinski, Chorske) 4, New York, Green 11 (Reichel, Berard) (pp). 5, B-, Khristich 12 (Sweeney, Carter) 6, B-McLaren 4 (Sullivan) 7, New York, Bertuzzi 6 (Johnson, Smolinski) (pp). 3d Period: None. Shots on goal: New York 8-9-3—20. B- 4-15-13—32. Goalies: New York, Salo. B-Dafoe.

Washington 0 1 1—2
Carolina 0 1 0—1

1st Period: None. 2d Period: Carolina, Kron 6 (Dineen) 2, W-, Bondra 22 (Oates) (sh). 3d Period: W-Konowalchuk 3 (Zhitnik, Bulis) Shots on goal: W- 10-12-2—24. Carolina 10-7-8—25. Goalies: W-Ranford. Carolina, Kidd, Burke.

Ottawa 0 1 0—1
Montreal 1 1 2—4

1st Period: M-Savage 7 (Recchi, Koivu) 2d Period: M-Savage 8 (Brisebois, Bure) (pp). 3, O-Lambert 6 (Bonk, Daigle) 3d Period: M-Rucinsky 11, (sh). 5, M-, Corson 13 (Rucinsky, Recchi) (pp). Shots on goal: O- 12-9-5—26. M- 15-11-10—36. Goalies: O-Rhodes. M-Moog.

Dallas 0 1 0 1—2
Edmonton 0 1 0 0—1

1st Period: None. 2d Period: E-Marchant 4 (Marchment, Lindgren) 2, D-Langenbrunner 17 (Hatcher) 3d Period: None. Overtime: 3, D-Verbeek 14 (Zubov, Reid) (pp). Shots on goal: D- 7-7-10-1—25. E- 5-11-8-0—24. Goalies: D-Belfour. E-Joseph.

Pittsburgh 0 0 1—1
St. Louis 1 2 1—4

1st Period: S.L.-Yake 6 (Pronger, Duchesne) (pp). 2d Period: S.L.-Conroy 3 (Pellerin, Atcheynum) 3, S.L.-Courtnall 14 (Turgeon, Yake) 3d Period: S.L.-Turgeon 4 (McAlpine, Yake) 5, P-Francis 11 (Olausson, Jagr) (pp). Shots on goal: P- 9-10-13—32. S.L.- 6-11-5—22. Goalies: P-Barrasso. S.L.-Fuhr.

Toronto 1 2 0—3
Phoenix 1 0 1—2

1st Period: Phoenix, Diduck 4 (Ronning, Tocchet). 2, T-Clark 7 (McCauley, Smith) 2d Period: T-Hendrickson 5 (K.King, Domi) 4, T-Clark 8 (Schneider, Johnson) 3d Period: Phoenix, Gartner 7 (Tkachuk, Ronning) (pp). Shots on goal: T- 10-11-7—28. Phoenix 6-7-14—27. Goalies: T-Potvin. Phoenix, Khabibulin.

Chicago 1 2 2—5
Vancouver 0 0 0—0

1st Period: C-Black 6 (Johnson, Sykora) (pp). 2d Period: C-Leroux 2 (Dubinsky) 3, C-, Nabokov 1 (Zhamnov, Chelios) (pp). 3d Period: C-Dubinsky 2 (Amonte, Sutter) 5, C-Nabokov 2 (Chelios, Amonte) (pp). Shots on goal: C- 13-6-6—25. V- 8-6-6—20. Goalies: C-Hackett, V-Irbe.

FOOTBALL

NFL Standings

AMERICAN CONFERENCE

EAST

	W	L	T	Pct.	PF	PA
New England	9	6	0	.600	355	277
Miami	9	6	0	.600	327	313
N.Y. Jets	9	6	0	.600	338	274
Buffalo	6	10	0	.375	255	367
Indianapolis	3	12	0	.200	285	362

CENTRAL

	W	L	T	Pct.	PF	PA
y-Pittsburgh	11	4	0	.733	366	291
y-Jacksonville	10	5	0	.667	374	309
Tennessee	7	8	0	.467	317	304
Baltimore	6	8	1	.433	312	329
Cincinnati	6	9	0	.400	339	391

WEST

	W	L	T	Pct.	PF	PA
x-Kansas City	12	3	0	.800	350	219
y-Denver	11	4	0	.733	434	284
Seattle	7	8	0	.467	327	353
Oakland	4	11	0	.267	315	399
San Diego	4	11	0	.267	263	387

NATIONAL CONFERENCE

EAST

	W	L	T	Pct.	PF	PA
x-N.Y. Giants	9	5	1	.633	287	258
Washington	7	7	1	.500	292	257
Philadelphia	6	8	1	.433	285	337
Dallas	6	9	0	.400	297	294
Arizona	3	12	0	.200	254	353

CENTRAL

	W	L	T	Pct.	PF	PA
x-Green Bay	13	3	0	.813	422	282
y-Tampa Bay	9	6	0	.600	268	248
Detroit	8	7	0	.533	366	296
Minnesota	8	7	0	.533	315	331
Chicago	4	11	0	.267	248	390

WEST

	W	L	T	Pct.	PF	PA
x-San Francisco	13	2	0	.867	366	227
Atlanta	7	8	0	.467	294	332
Carolina	7	9	0	.438	265	314
New Orleans	6	9	0	.400	224	302
St. Louis	5	11	0	.313	299	359

x-won division title
y-clinched playoff berth

SATURDAY'S RESULTS

Green Bay 31, Buffalo 21
St. Louis 30, Carolina 18

COLLEGE BOWL GAME

LAS VEGAS BOWL

Oregon 41, Air Force 13

CRICKET

AUSTRALIA A VS. SOUTH AFRICA

FOUR DAY MATCH, 3D DAY

SUNDAY IN BRISBANE

South Africa: 458-9 and 114-3
Australia A: 330

RUGBY

EUROPEAN CUP

SEMIFINAL

Bath, England, 20, Pau, France, 14
Toulouse, France, 22, Brive, France, 22 OT

Brive won having scored 2 tries to Toulouse's 1, meets Bath in January 31 final in Bordeaux.

EUROPEAN CONFERENCE

SEMIFINAL

Agen, France, 12, Newcastle 9
European Conference.
Colomiers, Fr., 19, Stade Francais, Fr., 13

INTERNATIONAL TEST

Italy 37, Ireland 22

SKIING

World Cup

WOMEN'S SLALOM

SATURDAY, IN VAL D'ISERE, FRANCE

1. Ylva Nowen, Sweden, 1 minute, 32.33 seconds (46.54-45.79); 2. Deborah Compagnoni, Italy, 1:32.42 (45.13-47.29); 3. Urska Hrovat, Slovenia, 1:32.81 (46.00-46.81); 4. Hilde Gerg, Germany, 1:32.84 (46.65-46.19); 5. Zali Steggall, Australia, 1:33.14 (46.43-46.71); 6. Kristina Koznick, U.S., 1:33.36 (46.35-47.01); 7. Sabine Egger, Austria, 1:33.37 (45.74-47.63); 8. Ingrid Salvenmoser, Austria, 1:33.51 (46.29-47.22); 9. Karin Roten, Switzerland, 1:33.538 (46.09-47.44); 10. Leila Piccard, France, 1:33.59 (46.45-47.14).

COMBINED EVENT

WEDNESDAY'S DOWNHILL AND SATURDAY'S SLALOM

1. Gerg, 3:35.15; 2. Katja Seizinger, Germany, 3:38.29; 3. Martina Ertl, Germany, 3:40.36; 4. Florence Masnada, France, 3:40.84; 5. Anita Wachter, Austria, 3:41.17; 6. Ingeborg Helen Marken, Norway, 3:41.76; 7. Stefanie Wolf, Germany, 3:43.15; 8. Morena Gallizio, Italy, 3:43.25; 9. Stefanie Schuster, Austria, 3:43.49; 10. Miriam Vogt, Germany, 3:44.12

SLALOM STANDINGS (After 2 events): 1. Nowen, 180; 2. Steggal, 145; 3. Koznick, 90; 4. Hrovat, 86; 5. Compagnoni, 80; 6. Gerg, 79; 7. Trine Bakke, Norway 67; 8. Claudia Riegler, 60; 9. Martina Accola, Switzerland, 45; 10. Roten, 44.

COMBINED (After 1 event): Gerg, 100 points; 2. Seizinger, 80; 3. Ertl, 60; 4. Florence Masnada, France, 50; 5. Wachter, 45.

OVERALL (After 14 Events): 1. Seizinger, 830; 2. Gerg, 654; 3. Ertl, 495; 4. Alexandra Meissnitzer, Austria, 461; 7. Compagnoni, 423; 6. Isolde Kostner, Italy, 395; 7. Renate Gotschl, Austria, 361; 8. Nowen, 333; 9. Piccard, 267; 10. Schuster, 230.

MEN'S GIANT SLALOM

SUNDAY IN ALTA BADIA, ITALY

1. Christian Mayer, Austria, 2:20.97 (1:09.98-1:11.09); 2. Michael von Gruenigen, Switzerland, 2:21.40 (1:10.11-1:11.29); 3. Hermann Maier, Austria, 2:21.83 (1:10.13-1:11.50); 4. Stefan Eberharter, Austria, 2:21.70 (1:09.93-1:11.77); 5. Hans Knauss, Austria, 2:22.25 (1:10.32-1:11.93); 6. Siegfried Voglreiter, Austria, 2:22.50 (1:11.05-1:11.45); 7. Heinz Schilchegger, Austria, 2:22.57 (1:12.14-1:10.43); 8. Josef Strobl, Austria, 2:22.62 (1:10.57-1:12.05); 9. Patrick Holzer, Italy, 2:22.82 (1:10.89-1:11.93); 10. Kjetil Andre Aamodt, Norway, 2:22.89 (1:11.90-1:10.99).

GIANT SLALOM (After 4 events): 1. Von Gruenigen, 280 points; 2. Eberharter, 230; 3. Maier, 220; 4. Mayer, 199; 5. Knauss, 145; 6. Steve Locher, Switzerland, 141; 7. Aamodt, 135; 8. Urs Kaelin, Switzerland, 119; 9. Josef Strobl, 108; 10. Heinz Schlichegger, Austria, 107.

OVERALL (After 10 events): 1. Maier, 489 points; 2. Eberharter, 396; 3. Von Gruenigen, 390; 4. Aamodt, 323; 5. Strobl, 308; 6. Mayer, 232; 7. Andreas Schifferer, Austria, 221; 8. Knauss, 220; 9. Steve Locher, Switzerland, 199; 10. Lasse Kjus, Norway, 194.

SOCCER

Confederations' Cup

SUNDAY IN RIYADH, SAUDI ARABIA

FINAL

Brazil 6, Australia 0

THIRD PLACE PLAYOFF

Czech Republic 1, Uruguay 0

FRENCH FIRST DIVISION

Auxerre 4, Bordeaux 2
Montpellier 1, RC Lens 2
Bastia 0, Lyon 1
Rennes 1, Paris St Germain 2
Strasbourg 2, Toulouse 0

STANDINGS: Metz 42 points; Paris St Germain 41; Monaco 41; Marseille 37; Lens 37; Auxerre 33; Bordeaux 32; Bastia, Lyon 29; Toulouse 25; Montpellier, Guingamp 24; Nantes 23; Le Havre 22; Strasbourg 21; Chateauroux 19; Rennes, Cannes 17.

SCOTTISH PREMIER DIVISION

Celtic 5, Hibernian 0
Dundee United 2, St Johnstone 1
Hearts 2, Rangers 5
Kilmarnock 1, Aberdeen 0
Motherwell 2, Dunfermline Athletic 0

ENGLISH PREMIER LEAGUE

Aston Villa 1, Southampton 1
Blackburn 3, West Ham 0
Derby 0, Crystal Palace 0
Leeds 2, Bolton 0
Leicester 0, Everton 1
Liverpool 1, Coventry 0
Sheffield Wednesday 1, Chelsea 4
Tottenham 3, Barnsley 0
Newcastle United 0, Manchester United 1

STANDINGS: Manchester U. 43 points; Blackburn 39; Chelsea 38; Leeds 34; Liverpool 31; Arsenal 30; Derby 29; Leicester 27; Newcastle 26; West Ham 25; Wimbledon 22; Aston Villa 22; Crystal Palace, Sheffield Wednesday 21; Southampton, Coventry, Bolton 20; Tottenham 19; Everton 17; Barnsley 14.

GERMAN BUNDESLIGA

Borussia Dortmund 2, Schalke 2
Arminia Bielefeld 2, Karlsruher SC 1
Bayer Leverkusen 6, VfB Stuttgart 1
MSV Duisburg 2, VfL Bochum 0
FC Kaiserslautern 3, FC Cologne 2
VfL Wolfsburg 2, Bayern Munich 3
1860 Munich 0, Werder Bremen 1
Hamburger SV 0, Hansa Rostock 1
Borussia Moenchengladbach 4, Hertha 2

STANDINGS: FC Kaiserslautern 45 points; Bayern Munich 41; VfB Stuttgart 35; Bayer Leverkusen 34; Schalke 32; Hansa Rostock, MSV Duisburg, Werder Bremen 28; VfL Wolfsburg 27; Borussia Dortmund, Hertha Berlin 25; Karlsruher 24; Moenchengladbach, Arminia Bielefeld 22; 1860 Munich 21; Hamburger SV, VfL Bochum, FC Cologne 20.

ITALIAN FIRST DIVISION

Bari 0, Piacenza 0
Brescia 1, AS Roma 1
Fiorentina 5, Atalanta Bergamo 0
Juventus 5, Empoli 2
Lazio 4, Vicenza 0
Parma 2, Lecce 1
Sampdoria 6, Napoli 3
Udinese 1, Inter Milan 0

STANDINGS: Inter Milan 30 points; Juventus 29; Udinese 26; Parma 25; AS Roma 23; Lazio 21; Fiorentina 20; AC Milan, Sampdoria 19; Vicenza 18; Brescia 14; Empoli 13; Piacenza, Bari 12; Bologna, Atalanta 11; Lecce 10; Napoli 5.

SPANISH FIRST DIVISION

Athletic Bilbao 5, Merida 1
Compostela 0, Deportivo Coruna 0
Celta Vigo 3, Oviedo 0
Racing Santander 2, Real Betis 0
Sporting Gijon 0, Valencia 3
Valladolid 4, Real Zaragoza 0
Barcelona 3, Atletico Madrid 1

STANDINGS: Barcelona 40 points; Real Madrid 36; Real Sociedad, Celta Vigo, Athletic Bilbao 31; Atletico Madrid, 30; Espanyol 29; Real Betis 26; Mallorca, Real Zaragoza 24; Racing Santander, Oviedo 23; Valencia 21; Valladolid 20; Salamanca, Merida 17; Deportivo Coruna, Compostela 16; Tenerife 14; Sporting Gijon 3.

DUTCH FIRST DIVISION

Vitesse Arnhem 2, FC Twente Enschede 1
Volendam 0, NAC Breda 3
Feyenoord 4, Willem II Tilburg 2
Ajax Amsterdam 3, PSV Eindhoven 4
Maastricht 0, FC Utrecht 0
NEC Nijmegen 2, Sparta Rotterdam 0
Doetinchem 2, FC Groningen 3
Fortuna Sittard 1 Roda JC Kerkrade 1

STANDINGS: Ajax 55 points; PSV Eindhoven 40; Vitesse Arnhem 38; Heerenveen 35; Feyenoord 35; Willem II Tilburg 30; Sparta Rotterdam 27; Fortuna Sittard 27; NAC Breda 25; NEC Nijmegen 25; FC Utrecht 23; Roda JC Kerkrade 23; Twente Enschede 22; Doetinchem 23; FC Groningen 21; MVV Maastricht 18; RKC Waalwijk 15; Volendam 11.

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

ANAHEIM—Named George Hendrick first base coach. Agreed to terms with DH Cecil Fielder on 1-year contract.

BALTIMORE—Agreed to terms with DH Harold Baines on 1-year contract. Designated 3B Willis Otanez for assignment.

BOSTON—Sent RHP Tony Armas Jr. to the Montreal to complete an Nov. 18 trade for RHP Pedro Martinez. Named Dick Pole bullpen coach.

CHICAGO—Declined to offer 1998 contract to INF Norberto Martin.

CLEVELAND—Signed INF Jeff Branson, LHP Jason Jacome and RHP Steve Karsay to 1-year contracts Agreed to terms with RHP Jeff Branson, RHP Steve Karsay and RHP Jason Jacome on 1-year contracts.

KANSAS CITY—Declined to offer 1998 contract to SS Orlando Miller.

MINNESOTA—Acquired 1B Steve Hacker from the Atlanta to complete Sept. 2 trade for C Greg Myers.

NEW YORK—Agreed to terms with LHP Graeme Lloyd on 2-year contract, and with OF Tim Raines and 3B Scott Brosius on 1-year contracts.

OAKLAND—Agreed to terms with SS Rafael Bournigal and RHP Billy Taylor on 1-year contracts.

SEATTLE—Agreed to terms with RHP Heathcliff Slocumb on 1-year contract.

TAMPA—Agreed to terms with LHP Scott Aldred, RHP Dave Eiland, C Tim Laker, OF Alex Cabrera, OF Mathias Carrillo, LHP Daniel Garbay and RHP Scott Lewis on 1-year contracts.

TEXAS—Agreed to terms with SS Domingo Cedeno on 1-year contract.

TEXAS RANGERS—Traded SS Benji Gil to the Chicago for RHP Al Levine and LHP Larry Thomas. Designated INF Norberto Martin for assignment. Announced that RHP Bobby Witt had accepted salary arbitration. Agreed to terms with C Bill Haselman on 1-year contract. Declined to offer 1998 contracts to RHP Roger Pavlik and RHP Wilson Heredia.

TORONTO—Acquired RHP Trevor Schaffer from Chicago to complete an earlier trade.

NATIONAL LEAGUE

CHICAGO—Announced they will not tender 1998 contract to RHP Kent Bottenfield.

COLORADO—Signed 2B Mike Lansing to 4-year contract. Announced that LHP Mike Munoz accepted salary arbitration.

FLORIDA—Traded INF Kurt Abbott to Oakland for RHP Eric Ludwick.

HOUSTON—Agreed to terms with LHP Mike Magnante on 1-year contract. Announced they will not tender 1998 contracts to 3B Sean Berry and OF Chuck Carr.

MILWAUKEE—Agreed to terms with LHP Scott Karl on 3-year contract, and with LHP Mike Myers on 2-year contract.

NEW YORK—Traded OF Fletcher Bates and LHP Scott Comer to Florida for LHP Dennis Cook. Agreed to terms with LHP Brian Bohanon, C Todd Pratt and INF Luis Lopez on 1-year contract.

ST. LOUIS—Signed LHP Lance Painter, RHP Mark Petkovsek, C Tom Lampkin and C Danny Sheaffer to 1-year contracts.

SAN FRANCISCO—Declined to offer 1998 contracts to INF Mark Lewis, RHP Pat Rapp and RHP William VanLandingham. Agreed to terms with C Brian Johnson on 1-year contract.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

ATLANTA—Activated F Anthony Miller from injured list. Released G Randy Livingston.

INDIANA—Activated F Derrick McKey from injured list. Put F Mark West on injured list.

NEW YORK—Put Patrick Ewing on injured list for rest season with injured wrist.

PHILADELPHIA—Put F Anthony Parker on injured list. Activated F Derrick Coleman from injured list.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

MINNESOTA—Signed WR Jake Reed to 4-year contract extension.

HOCKEY

NATIONAL HOCKEY LEAGUE

FLORIDA—Returned C Ryan Johnson to New Haven, AHL.

LOS ANGELES—Signed LW Josh Green to 3-year contract.

MINNESOTA—Named Jac K. Sperling chief executive officer.

N.Y. ISLANDERS—Assigned G Wade Flaherty to Utah, IHL.

PHOENIX—Signed D Oleg Tverdovsky to 2-year contract.

ST. LOUIS—Recalled RW Chris Kenady from Worcester, AHL. Returned D Rory Fitzpatrick to Worcester.

WASHINGTON—Recalled F Benoit Gratton from Portland, AHL. Assigned F Brad Church to Portland.

COLLEGE

FORT HAYS—Named Jeff Leiker football coach.

NORTH CAROLINA—Signed Carl Torbush, football coach, to 5-year contract.

TEXAS TECH—Announced F-C James Johnson will transfer from men's basketball team

صكذا من الأصل

SPORTS

Prince's Royal Showing

Hamed Knocks Out Kelley to Retain Title

By Timothy W. Smith
New York Times Service

NEW YORK — He shimmied. He shook. And in the end, Prince Naseem Hamed rocked Madison Square Garden, and Kevin Kelley, in his American debut.

Hamed, the World Boxing Organization featherweight champion, knocked out Kelley at 2:27 of the fourth round in a match that was both a holiday celebration — complete with confetti — and a tough-man competition.

Kelley (47-2-2) knocked Hamed down three times, but Hamed kept popping up. Hamed (29-0, 27 knockouts) knocked Kelley down three times as well, and in the fourth round, he caught Kelley with a sharp left hook that knocked him out. Kelley, a New Yorker, tried to get to his feet, but he did not make it before the referee, Benji Estaves, had counted to 10.

Hamed, a native of Sheffield, England, who is wildly popular in Britain, declared a successful conquest of America and again asserted that he is one of the best boxers in the game.

"You saw the heart of a champion the way I came back," Hamed said after Friday night's bout. "I took what I had to take and did what I had to do to win. I came to his hometown, I came to the lion's den and still walked away with my title."

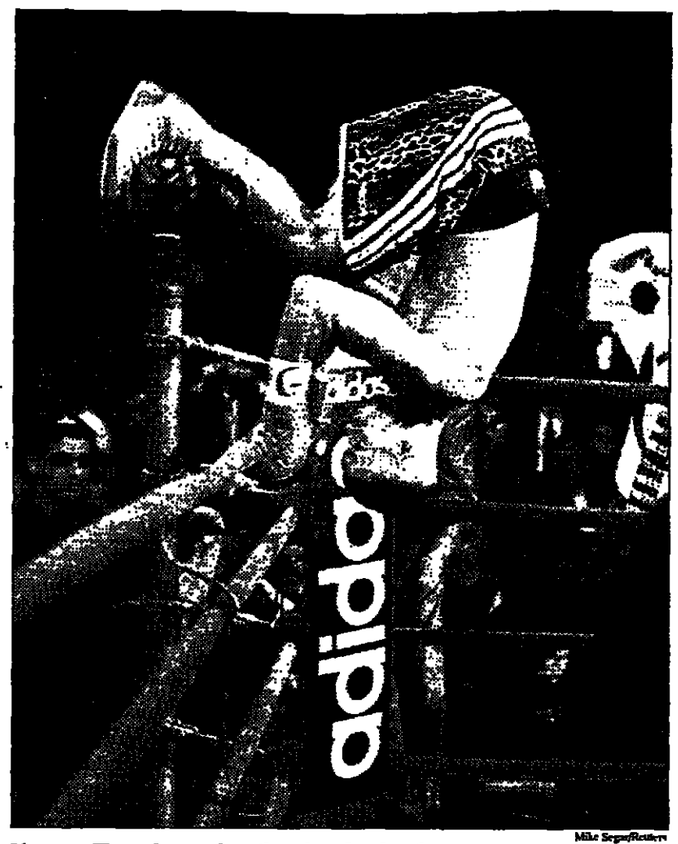
On the undercard, Kennedy McKinney, a year out of rehabilitation to shed a cocaine addiction, scored a stunning third-round technical knockout over Junior Jones to take away Jones's WBO super bantamweight title. Over two rounds, Jones threw more than 200 punches and decked McKinney twice, but Jones appeared to run out of gas, and McKinney stopped him at 2:41 of the third round. Immediately after the fight, McKinney, still looking a bit unsteady from the beating he took, was trying to finagle a match with Hamed.

Hamed will probably become a very hot property now that he has beaten Kelley, one of the toughest fighters in the featherweight division. Frank Warren, Hamed's promoter, said his fighter could go in several directions: a fight against McKinney or Arturo Gatti, or a rematch against Kelley.

Warren was very pleased that Hamed and the other featherweights on the card seem to be bankable fighters. The crowd was announced at 11,954, and Warren said the gate was $822,127, making it the highest-grossing featherweight card ever. And the excitement generated by the smaller fighters evoked memories of when Sandy Sadler and Willie Pep wowed crowds at the Garden three decades ago.

Kelley praised Hamed for his ability to help attract a good crowd to the Garden.

Indeed, many of the fight fans there were in the aisles dancing when Hamed put on his seven-minute prefight dance routine.



Mike Segar/Reuters
Naseem Hamed entering the ring for his featherweight title defense against Kevin Kelley. Hamed rallied after being knocked down 3 times.

Nets Get a Little Respect, But Bulls Get the Victory

By Jason Diamos
New York Times Service

Respect. It is something the New Jersey Nets are trying to earn this season.

They nearly did on Saturday at the Continental Arena against the reigning National Basketball Association champions. The Nets had the Chicago Bulls in trouble. For three quarters, that is.

But Michael Jordan, Dennis Rodman and Co. again proved to be too much for the Nets. Jordan had 24 points in 41 minutes. Rodman pulled down 24 rebounds. And Chicago erased a six-point fourth-quarter deficit with an 11-0 run en route to a 100-92 victory before a sold-out house.

The game had the feel of the playoffs, where the Nets have not been in four seasons. Jordan had a couple of highlight-reel moves to wow the crowd. Rodman outdueled Jayson Williams on the boards (24-17) in a battle of two of the league's premier rebounders. Keith Van Horn and Kerry Kittles showed why they are the Nets' future, scoring 20 and 19 points, respectively.

But when it came down to crunch time, Rodman was there. His uncontested tip of a long-range miss by Toni Kukoc with 3 minutes 45 seconds to play pushed the Chicago lead back up to five points at 84-79 when the Nets could have had a possession to tie.

The Associated Press reported:

Wizards 94, Raptors 92 In Toronto, Chris Webber scored 28 points and tipped-in a missed shot at the buzzer to lift Washington to its fourth straight victory.

Pistons 115, 76ers 78 Jerome Williams had career-highs of 22 points and 13 rebounds off the bench to lead host Detroit to a rout of Philadelphia.

Heat 99, Hawks 92 Alonzo Mourning made his first start of the season and blocked two of Steve Smith's shots down the stretch to help host Miami over Atlanta in a matchup of Eastern Conference leaders.

Pacers 95, Magic 92 In Orlando, Chris Mullin and Mark Jackson scored 18 points each and Indiana scored 12 of its last 16 points from the foul line to hold off the Magic and win its sixth straight.

Timberwolves 92, Clippers 91 Kevin Garnett's tip-in with 5.8 seconds to play highlighted a dizzying final 11 seconds as host Minnesota edged Los Angeles.

Lakers 109, Hornets 100 Nick Van Exel scored 11 points in the final 3:06 as Los Angeles gained its league-leading 10th road triumph.

Spurs 100, Rockets 87 Avery Johnson scored a season-high 21 points as host San Antonio avenged its worst loss of the season, a 30-point drubbing at Houston on Dec. 9.

Kings 89, Mavericks 88 Corliss Williamson matched a career-high with 27 points and Michael Stewart made a key block in the final minute as Sacramento ended a nine-game road losing streak.

Bucks 98, Knicks 78 New York matched its season-low for points in a loss to Milwaukee, but a bigger loss was Patrick Ewing, who dislocated a bone in his right wrist when he fell. The Knicks said Sunday that he would miss the rest of the season after having surgery.

Suns 102, Nuggets 81 Steve Nash scored a career-high 20 points as visiting Phoenix handed Denver its seventh straight loss.

SuperSonics 108, Warriors 89 In Seattle, Dale Ellis made the 1,500th 3-pointer of his career as the SuperSonics won their sixth straight game. *(NYT, AP)*

NBA Roundup



Jim Gehrz/The Associated Press
Patrick Ewing grimacing after dislocating a bone in his wrist and tearing ligaments. The Knick center had surgery Sunday and is out for season.

Power-Play Goals Help Flyers Extend Streak to 7

The Associated Press

Rod Brind'Amour and Eric Lindros scored power-play goals and Garth Snow stopped 14 shots as the Philadelphia Flyers beat the Florida Panthers, 2-0, to extend their unbeaten streak to seven games. It was the fourth loss in five games for the Panthers.

Snow was rarely tested on Saturday night as he registered his third career shutout. The host Flyers held the Panthers without a shot for almost 16 minutes in the second period. Philadelphia is 5-0-2 in its last seven games, and Snow is 3-0-1 during that stretch.

Rangers 2, Lightning 2 Darren Puppa had 39 saves as the Lightning and the Rangers played to a tie in Tampa Bay. After being outshot, 26-16, in the first two periods, Tampa Bay took a 2-1 lead in the third period on goals by Daymond Langkow and Alex Selivanov. Tim Sweeney salvaged the Rangers' 12th tie of the season when he scored on a wrist shot over Puppa's glove with 2:32 left.

Kings 4, Flames 1 A Los Angeles defenseman, Rob Blake, had a goal and an assist and Stephane Fiset made 36 saves for visiting Los Angeles. Blake scored on the power play on a drive from the blue line at 5:01. Jozef Stumpel made the score 2-0 at the 8:02 mark. Blake later fired a wrist shot toward the front of the net on a power play that Glen Murray tipped past goaltender Rick Tabaracci to make it 3-0 at the 13:36 mark.

Capitals 2, Hurricanes 1 Steve Konowalchuk scored with 3:50 left as Washington defeated host Carolina, breaking the Capitals' six-game winless streak.

Konowalchuk, who had come out of the penalty box minutes earlier, scored just his third goal in 36 games.

Islanders 4, Bruins 3 Todd Bertuzzi's power-play goal with 14 seconds remaining in the second period carried the visiting Islanders over Boston.

Tommy Salo stopped 29 shots, including 13 in the third period, as the Islanders beat the Bruins for the third straight time to stay unbeaten in their last four games.

Canadiens 4, Senators 1 Brian Savage broke out of a slump with two goals and Andy Moog made 25 saves to lead host Montreal over Ottawa. Savage entered the game scoreless in his previous nine games, with only six goals in his last 28 games. The Canadiens' coach, Alain Vigneault, had promoted Savage to the first line with Saku Koivu and Mark Recchi last week, hoping to spark the struggling forward.

Blues 4, Penguins 1 Grant Fuhr made 31 saves and Terry Yake had a goal and two assists as host St. Louis ended Pittsburgh's six-game unbeaten streak. Pierre Turgeon added a goal and an assist for the Blues. The Blues' checking line did its part by shutting down Jaromir Jagr, who had entered the game with 11 points in six games. Craig Conroy got his third goal and helped limit Jagr to three shots.

Stars 2, Oilers 1 Sergei Zubov's power-play goal at 1:07 of overtime lifted visiting Dallas over Edmonton.

With Bryan Marchment serving a tripping penalty, Zubov fired a shot from the point that found its way through a screen in front of goalie Curtis Joseph. It was his fifth goal of the season.

Blackhawks 5, Canucks 0 Jeff Hackett stopped 20 shots for his second straight shutout and Dmitri Nabokov scored twice in his NHL debut as Chicago snapped a seven-game winless streak with a victory over host Vancouver. Nabokov, the Blackhawks' first-round pick (19th overall) in the 1995 draft, scored once in the second period and again in the third.

Maple Leafs 3, Coyotes 2 Wendel Clark scored a pair of goals to lead the Maple Leafs past the Coyotes in Phoenix.

NHL Roundup



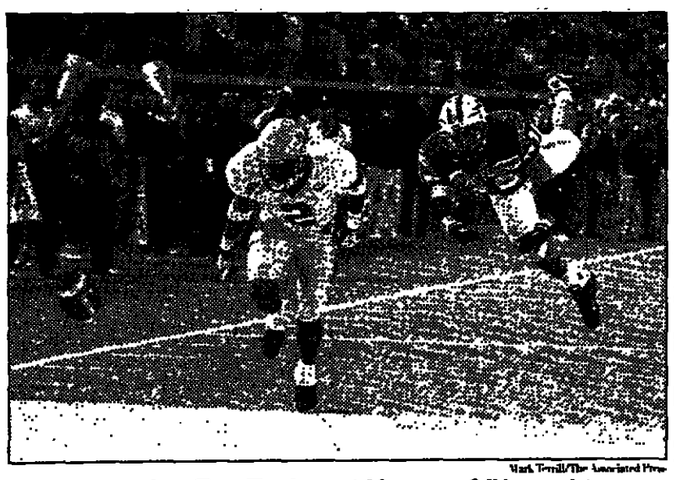
Air Force Is Grounded In Las Vegas Bowl

The Associated Press

LAS VEGAS — Pat Johnson and Saladin McCullough stunned No. 23 Air Force by scoring on Oregon's first two plays from scrimmage, sparking a string of big plays to lead the Ducks to a dominating 41-13 victory in the Las Vegas Bowl.

Johnson, the 1995 Pac-10 400-meter champion, scored on passes of 69 and 78 yards and Tony Hartley caught two other touchdown passes for Oregon, which dominated the first major bowl game of the season from the opening kickoff on Saturday.

The bowl season was only 18 seconds old when Johnson streaked down the left sideline to snare a pass in midstride from quarterback Akili Smith, going 69 yards for a touchdown on the first offensive play of the game.



Mark Terrill/The Associated Press
An Oregon receiver, Tony Hartley, watching a pass fall incomplete as an Air Force defender, Nishawn Smagh, right, dives for the ball in Las Vegas.

Tar Heels Win in Conference Opener

The Associated Press

Top-ranked North Carolina had all the right answers for its first Atlantic Coast Conference exam.

Antawn Jamison and Vince Carter each scored 22 points and Shammond Williams made four free throws in the final minute as the Tar Heels beat No. 17 Florida State, 81-73, in the conference opener for both teams on Saturday night.

"I began to think with four or five minutes to go, and it was close, that even if we did lose, we learned some good lessons today," said North Carolina's first-year coach, Bill Guthridge. "Of course you like to learn your lessons when you win."

North Carolina (12-0) turned to either Jamison or Carter almost every time it needed to repel a challenge from host Florida State.

The Seminoles (8-2) made several runs, once closing the gap to 66-65 on Kerry Thompson's pull-up jumper in the lane with 6:30 left. But Carter's reverse dunk and Williams's fast-break lay-up put North Carolina ahead, 70-65. Two free throws by Williams gave North Carolina a 77-73 lead with 53 seconds left after Randell Jackson's lay-up had brought Florida State within two.

No. 2 Kansas 94, No. 24 Texas Christian 78 Paul Pierce found his shooting touch after missing seven of his first eight shots and scored 28 points to lead the host Jayhawks.

No. 4 Kentucky 74, Tulsa 53 Nazr Mohammed scored four of his 17 points during a 17-0 run that enabled the host Wildcats to overcome a sluggish start.

No. 6 South Carolina 77, St. Joseph's 65 B. J. McKie, playing on a bad ankle, scored 19 points, and the Gamecocks held visiting St. Joseph's without a basket over the final 4:34.

No. 7 Utah 69, Oregon St. 61 Michael Doleac returned to his hometown and scored 21 points as seventh-ranked Utah remained unbeaten with a victory over Oregon State in Portland.

No. 8 Purdue 86, No. 10 Xavier 84 In Indianapolis, Brian Cardinal scored Purdue's final three points and came up with a big rebound in the final seconds.

No. 11 UCLA 73, Saint Louis 67 J.R. Henderson scored 19 points and UCLA made 12 of 16 free throws over the final 6:12 to snap the Billikens' eight-game winning streak.

No. 12 Connecticut 93, N.C.-Wilmington 55 In Hartford, Kevin Freeman was perfect from the field and the free-throw line, scoring 16 points in a balanced attack for the Huskies.

No. 14 New Mexico 81, Texas Tech 62 Kenny Thomas scored 26 points and host New Mexico used a 27-6 run to extend the nation's second-longest home-court winning streak to 32 games.

Rutgers 72, No. 16 Temple 63 In Philadelphia, Geoff Billet and Rob Hodgson combined for 41 points and Rutgers shot 48 percent from 3-point range to hand Temple its second straight loss.

No. 18 Mississippi 106, Prairie View 59 Joezon Darby scored seven straight points after Prairie View took its only lead, and the Rebels cruised from there.

College Basketball

Fielder Signs With Anaheim

The Associated Press

NEW YORK — Cecil Fielder has signed with the Anaheim Angels, Tim Raines has returned to the New York Yankees and Harold Baines has re-signed with the Baltimore Orioles.

Fielder, 34, who made $7.2 million last season, was expected to take one of baseball's largest pay cuts ever following a subpar season with the Yankees. He hit .260 with 13 homers and 61 RBIs in 98 games, missing two months because of a thumb injury. Friday's deal with Anaheim was thought to be worth about $2 million guaranteed with more available in performance bonuses.

Raines's $1.8 million option was declined by the Yankees last month and the team gave him a $200,000 buyout. His new deal is a $900,000, one-year contract that contains the chance to earn $400,000 in performance bonuses.

"If Tim Raines is healthy, he is a legitimate player," the Yankees' general manager, Bob Watson, said.

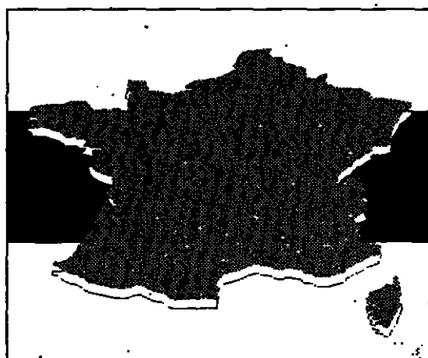
New York also signed third baseman Scott Brosius, obtained last month from Seattle, to a $2.5 million, one-year contract, and signed left-hander Graeme Lloyd to a $1.8 million, two-year deal.

Baines, Baltimore's designated hitter, agreed to a $1.15 million, one-year contract, the same amount as his base salary in 1997. He can earn another $625,000 in performance bonuses.

"He provides us with a veteran left-handed bat and he has always proved to be a very positive influence in the clubhouse," the Orioles' general manager, Pat Gillick, said.

Among the 20 free agents offered salary arbitration by their former teams on Dec. 7, just two accepted before Friday's midnight deadline: The Rangers' Bobby Witt and the Rockies' Mike Munoz. Both players are pitchers.

DO YOU LIVE IN FRANCE?





• Subscribe and SAVE up to 60% off the cover price.
• Also available: PAY MONTHLY by easy, low cost, direct debit.

EARLY MORNING DELIVERY TO YOUR HOME OR OFFICE.

A cosmopolitan, comprehensive and concise newspaper delivered every day to your home or office.
In and around most of Paris and Lyon the International Herald Tribune offers early morning hand delivery on the day of publication, Monday through Saturday. And, because it is printed in Paris, Toulouse and Marseille, it can be sent by post to arrive on the same day in most of France at no extra cost.
The result?
Unique coverage of the world you live in, brought to you as it changes – daily.

For more information about easy ordering and availability of hand delivery CALL our Subscriber Customer Service Unit: TOLL FREE: 0800 437 437 or Fax: 01 41 43 92 10 – E-mail: subs@iht.com – Internet: http://www.iht.com

PAYMENT BY MONTHLY DIRECT DEBIT

☐ YES, I'd like to subscribe and have my bank account debited monthly by FF162.
Please start my subscription and send me a bank form to arrange my payment.

PAYMENT BY CHECK OR CREDIT CARD

☐ YES, I'd like to subscribe and pay for the following term:
☐ 12 months (+ 2 months free): FF1,950 (Saving off cover price: 46%)
☐ Special, 2-month trial subscription: FF210 (Saving off cover price: 60%)
☐ My check is enclosed (payable to the IHT)
☐ Please charge my:
☐ Access ☐ Amex ☐ Diners
☐ Eurocard ☐ MasterCard ☐ Visa
Credit card charges will be made in French Francs at current exchange rates.
Card N°:_____ Exp.:_____
Signature:_____
☐ Please start delivery and send invoice.

YOUR DETAILS

Family Name:_____
First Name:_____
Job Title:_____
Mailing Address: ☐ Home ☐ Business
_____
_____
Postal Code:_____
City:_____
Tel:_____ Fax:_____
E-Mail Address:_____
Your VAT N° (Business orders only)
_____
(IHT VAT N° 747 320 211 26)
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other
☐ I do not wish to receive information from other carefully screened companies.
22-12-97

This offer expires on December 31, 1998 and is AVAILABLE FOR NEW SUBSCRIBERS ONLY.

Return your completed coupon to:
Subscriptions Director, International Herald Tribune, 181, Avenue Charles-de-Gaulle, 92521 Neuilly Cedex.
Fax: 01 41 43 92 10 E-Mail: subs@iht.com FR14

READERS IN OTHER COUNTRIES CAN SUBSCRIBE BY CALLING:
EUROPE, MIDDLE EAST & AFRICA Tel: +33 1 41 43 93 61 Fax: +33 1 41 43 92 10
THE AMERICAS Tel: (USA toll free) 1-800-882-2884 Fax: +1 212 755 8785
ASIA Tel: +852 29 22 11 71 Fax: +852 29 22 11 99

WORLD ROUNDUP



Brazilians celebrating one of their six goals against Australia.

Brazilians Romp

SOCCER Ronaldo and Romario scored three goals apiece as Brazil demolished Australia, 6-0, in the Confederations Cup final on Sunday in Riyadh.

The match degenerated into a one-sided exhibition after Australia's Mark Viduka was sent off for a late challenge to Cafu of Brazil midway through the first half. Australia had lost only once under Coach Terry Venables in 18 previous matches, but Brazil completely dominated on Sunday with its quick passing and movement. *(AFP)*

• Clive Barker resigned as coach of the South African soccer team after its dismal performance at the Confederations Cup. Barker said his resignation was effective immediately. *(AP)*

• Iran has picked Valdeir Vierra of Brazil to coach the national team in next year's World Cup, Tehran radio reported. *(AP)*

Help! Man Overboard!

YACHTING The Australian sailor Alby Pratt spent a frightening seven minutes in rough seas on Sunday after falling overboard from his boat, Innovation Kvaerner, during the Whitbread around-the-world race in the Bass Strait.

Pratt, the bowman on the Norwegian entry, was on the foredeck in the middle of the night changing sails when he fell overboard. The boat was plowing through waves that had been roiled up by 25-knot winds on the tough strait between Tasmania and mainland Australia. The skipper, Knut Frostad, immediately threw his crew into its man-overboard routine. Despite the darkness and weather conditions, the crew managed to pick up the bowman in just seven minutes.

Innovation Kvaerner is the overall race leader, but currently in third place on the Fremantle-to-Sydney leg of the race, behind two Swedish boats, EF Language and Swedish Match. *(Reuters)*

From Worst to First

SKI JUMPING Masahiko Harada of Japan went from worst to first in just 24 hours, claiming his third ski-jumping World Cup victory of the season on a 120-meter hill Sunday in Engelberg, Switzerland. Harada, who one day earlier could do no better than 50th on the same hill and failed to qualify for the second round, produced jumps of 117.5 and 123.5 meters, scoring 236.8 points to win and take the top place in the overall rankings from Dieter Thoma of Germany. *(Reuters)*

Parry Wins by 3 Shots

GOLF Craig Parry carded a final round of five-under-par 67 on Sunday to record a three-shot victory in the Coolum Classic in Brisbane, Australia, the last ranking event in the world this year. Parry had a 72-hole total of 12-under-par 276 to finish ahead of a fellow Australian, Robert Allenby. *(Reuters)*

Giants Bestow the Coup de Grace

New York Romps Over Cowboys for Undefeated NFC East Record

The Associated Press

The Dallas Cowboys' worst year since 1989 came to a merciful conclusion on Sunday as the New York Giants recorded the NFC East's first unbeaten season.

Dallas, winners of five consecutive NFC East titles, crashed to a 6-10 record with the 20-7 loss, placing Coach Barry Switzer's job in jeopardy.

The Cowboys' owner, Jerry Jones, said he would decide in late January or February about Switzer's future. The team's offensive coordinator, Ernie Zampese, said he expected to be fired.

The Giants, completing the worst to first transition under rookie coach Jim Fassel, go into the playoffs with a 10-5-1 record and will be at home Saturday for a wild-card game against a team yet to be determined.

New York was 7-0-1 in the NFC East with the only blemish coming on a 7-7 tie with the Washington Redskins.

Danny Kanell threw a 21-yard touchdown pass to Chris Calloway, Rodney Hampton scored his 49th career touchdown on a 1-yard run, and Brad Daluiso kicked field goals of 28 and 42 yards in the first half against the host Cowboys as the Giants built a 20-0 lead. Hampton surpassed Joe Morris as the Giants' career rushing touchdown leader.

Dave Brown took over for Kanell in the second half and fumbled his first snap, which Fred Strickland recovered at the New York 20.

Emmitt Smith scored three plays later on a 4-yard run. New York substitutes were liberally sprinkled through the lineup in the second half.

Bengals 16, Ravens 14 Boomer Esiason carried his late-season resurgence through to the finish, leaving the Baltimore Ravens to finish in the only place they've ever known — last place.

Esiason threw an 8-yard touchdown pass on the game's opening possession and found Darnay Scott uncovered for a 77-yarder in the closing minutes, giving host Cincinnati the victory.

The loss left the Ravens (6-9-1) in last place in the AFC Central, where they've finished each of their two seasons since Art Modell moved his team from Cleveland.

Esiason had his least-impressive performance of 1997, but came through with two big plays. He threw an 8-yard

NFL ROUNDUP

TD to Marco Battaglia on the game's opening series, setting it up by completing his first five passes.

The 36-year-old quarterback pulled off a sleight-of-hand trick in the closing minutes that decided the game. He faked a handoff to Corey Dillon, rolled left and found Scott well beyond the fooled secondary. Scott took the ball in stride at the 35-yard line and went in untouched with 3:41 left. Overall, Esiason completed 21 of 34 for 254 yards.

Redskins 35, Eagles 32 The cornerbacks, the only steady group in a wildly inconsistent season for the Washington Redskins, came through one last time to keep the team's playoff hopes alive.

Darryl Pounds and Darrell Green scored early touchdowns to give the host Redskins a 14-0 lead in Sunday's victory over Philadelphia.

The Eagles (6-9-1), though eliminated from the postseason hunt last week, kept it interesting, scoring on Charlie Garner's 1-yard run with 6:41 to play and adding a 2-point conversion. But a 74-yard kickoff return by Brian Mitchell set up Michael Westbrook's 7-yard TD reception to give the Redskins another cushion.

Philadelphia came back again with a 14-yard TD catch by Freddie Solomon with 1:09 to go, but the Redskins recovered the onside kick.

Chiefs 25, Saints 13 The Kansas City Chiefs looked sharp in just about every way but one — at quarterback.

And that could be a big worry for the AFC West champions as they head into the playoffs with home-field advantage, a six-game winning streak and a question at quarterback.

Elvis Grbac, in his first appearance since breaking his left collarbone six games ago, went 5-for-14 for 51 yards as the host Chiefs (13-3) beat the turnover-prone New Orleans Saints 25-13 Sunday.

New Orleans (6-10), which won four of its last seven, dropped two sure-fire interceptions before Rich Gannon replaced Grbac late in the third period.

Bucs 31, Bears 15 The Tampa Bay Buccaneers tuned up for their first postseason appearance in 15 years in grand style.

Karl Williams zigzagged upfield to score one of his two touchdowns on a 61-yard punt return and Warrick Dunn topped 100 yards rushing for the fifth time as the host Bucs clinched home-field advantage for the first round of the playoffs with a 31-15 victory over the Chicago Bears.

Trent Dilfer, one of an NFL-leading seven Bucs headed to the Pro Bowl, scored on a 7-yard run and threw his 21st TD pass of the year to set a team single-season record.

The Tampa Bay defense also did its part causing three turnovers and having three sacks of Bears quarterbacks Erik Kramer and Rick Mirer, who replaced Kramer after the Chicago starter sprained his left shoulder in the third quarter.



Marcy Nelson/Reuters

The Packers' Robert Brooks pulling in a Brett Favre pass for a long gain.

In games played Saturday:

Packers 31, Bills 21 Brett Favre was slow getting up after he was decked on his first pass, but he bounced back to throw two touchdown passes as Green Bay beat Buffalo at Lambeau Field.

The Packers (13-3) kept their momentum going for the playoffs.

Rams 30, Panthers 18 The Rams ended their first year under coach Dick Vermeil with a victory over the error-prone Carolina Panthers in Charlotte, North Carolina, giving St. Louis three victories in its last four games.

"I'm really proud of them," Vermeil said.

Love Him or Hate Him, Almost Everybody Respects Coach Parcells

By Mike Freeman
New York Times Service

NEW YORK — This is Bill Parcells: The New York Jets had just won a tough game against the New England Patriots in October. But the celebration was tempered because linebacker Pepper Johnson had ruptured a tendon in his leg and was going to miss the remainder of the season. Johnson had been with Parcells for six years, on the Giants and now the Jets, and their relationship was almost like that of a father and son.

With the injured Johnson sitting on a table in the training room, Parcells crowded the team around the linebacker and proceeded to heap praise on him. Those present say Parcells had tears in his eyes as he spoke, and some see that moment as one of the truly unifying ones for a Jets team that has gone further than almost anyone thought it could.

And this is Bill Parcells: Bob Kratch retired recently after spending 10 productive years in the National Football League as an offensive lineman, almost all of them with Parcells as his coach, first with the Giants and then with New England. Last year, while playing for Parcells on the Patriots, Kratch spent nine days in the hospital because of pneumonia and a staph infection. The 290-pound (131 kilogram) player lost 25 pounds, was being fed intravenously and missed eight weeks of the season.

Kratch came back in December and was understandably rusty, but that didn't matter to Parcells. When Kratch made a mistake during one of his first practices back, Parcells, in front of the entire team, barked, "Kratch! Stop worrying about your lungs!"

"I think, to put it in a nutshell, Bill has two sides, and both of those sides are the reason the Jets are winning," Kratch said. "He did a lot of good things for me and I truly respect the guy. On the other hand, sometimes it was impossible to play for him. You win with him, like the Jets are doing, but he could be the nastiest person you ever met."

Parcells' life has come full circle this year. Having won two Super Bowls with the Giants, having lost a third, with the rebuilt Patriots, in just his fourth season there, he returned to New York this year and has engineered one of the most dramatic turnarounds in league history.

A team that went 1-15 a year ago has improved to 9-6 and would qualify for the playoffs with a victory over Detroit Sunday afternoon. Remarkable, indeed. And just about all of the credit goes to the 56-year-old Parcells.

The question is: How did he do it? The answer: by being Bill Parcells. Both of him.

He can be loyal, brilliant, passionate, caring and uncomplicated. All of those qualities have helped him make the Jets into instant winners. Parcells once gave a gift worth tens of thousands of dollars to a friend who helps him get commercial endorsements. When one of the reporters who covered the Giants years ago had a serious heart operation, Parcells called him several times to check on him. He was known for being particularly kind to the janitorial staff at Foxboro Stadium when he coached the Patriots.

The list goes on. He clearly has a compassionate side, but not many people get to see it. When that side emerges, as it did on the day Johnson was injured, it can have a powerful impact.

"I have a very high regard for him as a person," said Ron Wolf, general manager of the Green Bay Packers, who is a close friend of Parcells. "He is one of the finest people I have ever met."

BUT the same Parcells can be bullying, manipulative, nasty and extremely complex. Often this season he has screamed at Jets players and coaches and other members of the organization, belittling them in what he no doubt saw as an effort to get the most out of them.

That he would rule by fear comes as no surprise to Patriots officials, who say few were safe from his acerbic outbursts in his four years there and that toward the end of his reign, most of the people in the organization, including the secretaries, were terrified of him. In one instance, Parcells threw iced tea at a Boston writer who asked a question he didn't like. (Parcells later apologized.)

"He did a lot for me, but I don't mind saying he's not the nicest guy in the world," Kratch said.

In the end, Parcells has been hard on the body and mind of the Jets, but if he hadn't been so tough, does anyone think the Jets would have become winners so quickly? That's the Parcells cycle. A winning cycle.

"He's as good a coach as this league has ever seen," Kratch said. "No doubt in my mind the Jets will win every year. It's not always fun with him, but when the Jets win the Super Bowl in a few years, and I think they will, the players will think it's all worth it."

Austrians Rule the Course

Compiled by Our Staff From Dispatches

ALTA BADIA, Italy — Christian Mayer's four-year victory drought ended Sunday when the Austrian won only the second World Cup event of his career, edging the Swiss specialist Michael von Gruenigen in a giant slalom.

Mayer had to battle a damaged, tricky course, beat a world champion and fight

WORLD CUP SKIING

off the strongest team on the men's World Cup ski circuit — his Austrian teammates — to win the race.

Mayer, the leader after the first leg, won in two minutes 20.97 seconds to von Gruenigen's 2:21.40.

Mayer led another impressive showing by the Austrians, who took seven of the top eight places. The Austrian men's team also swept the five top places in a World Cup downhill at Beaver Creek, Colorado, last month.

Mayer's only previous World Cup victory came in December 1993 at Val d'Isere, France, when he won a giant slalom and von Gruenigen finished third.

"I knew I had to put in a good performance here because our team is so strong and there's a battle for places," Mayer said.

He said the second leg of the race was difficult because of the condition of the course.

"It was full of ruts and holes, and I made a lot of early mistakes," Mayer said, "but I just kept my concentration."

Hermann Maier, fourth at the halfway stage in Sunday's race, had a swift second run to finish with a combined time of 2:21.63. Maier seemed certain to fall near the finish but kept his balance to claim 60 points and remain at the top of the World Cup's overall standings. *(AP, Reuters)*

■ 2 Downhills Rescheduled

One of two World Cup downhills canceled Saturday because of bad weather in Val Gardena, Italy, has been rescheduled for Dec. 30 at the Italian resort of Bormio, The Associated Press reported.

The other canceled downhill will be added to the World Cup program in Wengen, Switzerland, in January.



Franco Origlia/Reuters; The Associated Press

Christian Mayer of Austria hurtling his way to a victory Sunday in the men's giant slalom in Alta Badia, Italy.



Every country has its own AT&T Access Number which makes calling home or to other countries really easy. Just dial the AT&T Access Number for the country you're calling from and you'll get the clearest connections home. Now you can charge your calls on any of the credit cards shown, as well as on your AT&T Calling Card. And when you use AT&T, you can avoid outrageous phone charges on your hotel bill and save up to 60%.* Check the list for AT&T Access Numbers.



Steps to follow for easy calling worldwide:

1. Just dial the AT&T Access Number for the country you are calling from.
2. Dial the phone number you're calling.
3. Dial your card number.

AT&T Access Numbers

EUROPE

Austria●◇	022-903-011
Belgium●	0-800-100-10
France	0-800-99-0011
Germany	0130-0010
Greece●	00-800-1311
Ireland□	1-800-550-000
Italy●	172-1011
Netherlands●	0800-022-9111
Russia●▲(Moscow)◗	755-5042
Spain	900-99-00-11
Sweden	020-795-611
Switzerland●	0800-89-0011
United Kingdom▲	0500-89-0011
	0800-89-0011

MIDDLE EAST

Egypt●(Cairo)◗	510-0200
Israel	177-100-2727
Saudi Arabia◇	1-800-10

AFRICA

Ghana	0191
South Africa	0-800-99-0123

Can't find the Access Number for the country you're calling from? Just ask any operator for AT&T Direct® Service, or visit our Web site at: http://www.att.com/traveler

It's all within your reach. AT&T

Clearest connections from countries with voice prompts compared to major U.S. carriers on calls to the U.S. Clearest based on customer preference testing. *Compared to certain hotel telephone charges based on calls to the U.S. in November 1996. Actual savings may be higher or lower depending upon your billing method, time of day, length of call, fees charged by hotel and the country from which you are calling. Credit card calling subject to availability. Payment terms subject to your credit card agreement. Bold-faced countries permit country-to-country calling outside the U.S. Collect calling is available to the U.S. only. Country-to-country rates consist of the cost of a call to the U.S. plus an additional charge based on the country you are calling. You can call the U.S. from all countries listed above. ●Public phones require local coin payment during the call. ◇Calling available to designated countries only. ▲Limited availability. ◆Payphone deposit. ◗Dial "02" first, outside Cairo. ■Additional charges apply outside Moscow. □Use U.K. access number in N. Ireland. ©1997 AT&T